

Denial and Discrimination

Labour Rights in Pakistan

2007



Pakistan Institute of Labour Education & Research



Author
Zeenat Hisam

Special Contributions
Bushra Khanum
Maqsood Mirza
Mohammad Sadaqat
Muqqadam Khan
Zubeida Mustafa
Zulfiqar Shah

Cover Design and Layout
K. B. Abro

First published May 2007
ISBN 978-969-9153-00-6

Published by
Pakistan Institute of Labour Education & Research
PILER Centre
ST-001, Sector X, Sub-Sector V
Gulshan-e-Maymar, Karachi-75340, Pakistan
Tel: (92-21) 6351145-7
Fax: (92-21) 6350354
Email: piller@cyber.net.pk

Preface

The Pakistan Institute of Labour Education and Research (PILER), engaged with labour issues for the last 25 years, has undertaken to review the changing trends and the factors impacting adversely on the workers' lives and the working conditions, and document the workers' struggles to counteract these forces. This report attempts to put together a picture of the current status of labour in the country.

The report aims to facilitate the role of the civil society as a watchdog of human rights related to work and workplace. A constant vigil and monitoring of labour laws violations can serve as a useful tool in the struggle to ensure rights enshrined in the Constitution, national legislation and international covenants and standards.

The report covers the period up to December 2006 and is based on two categories of sources. Firstly, the secondary sources which range from print media and the internet, to the latest official reports and documents, research studies and articles available on the subject. Secondly, and of particular significance, is the PILER's direct engagement and interaction with workers and labour organizations in the informal sector, trade unions, civil society groups and representatives of state labour institutions.

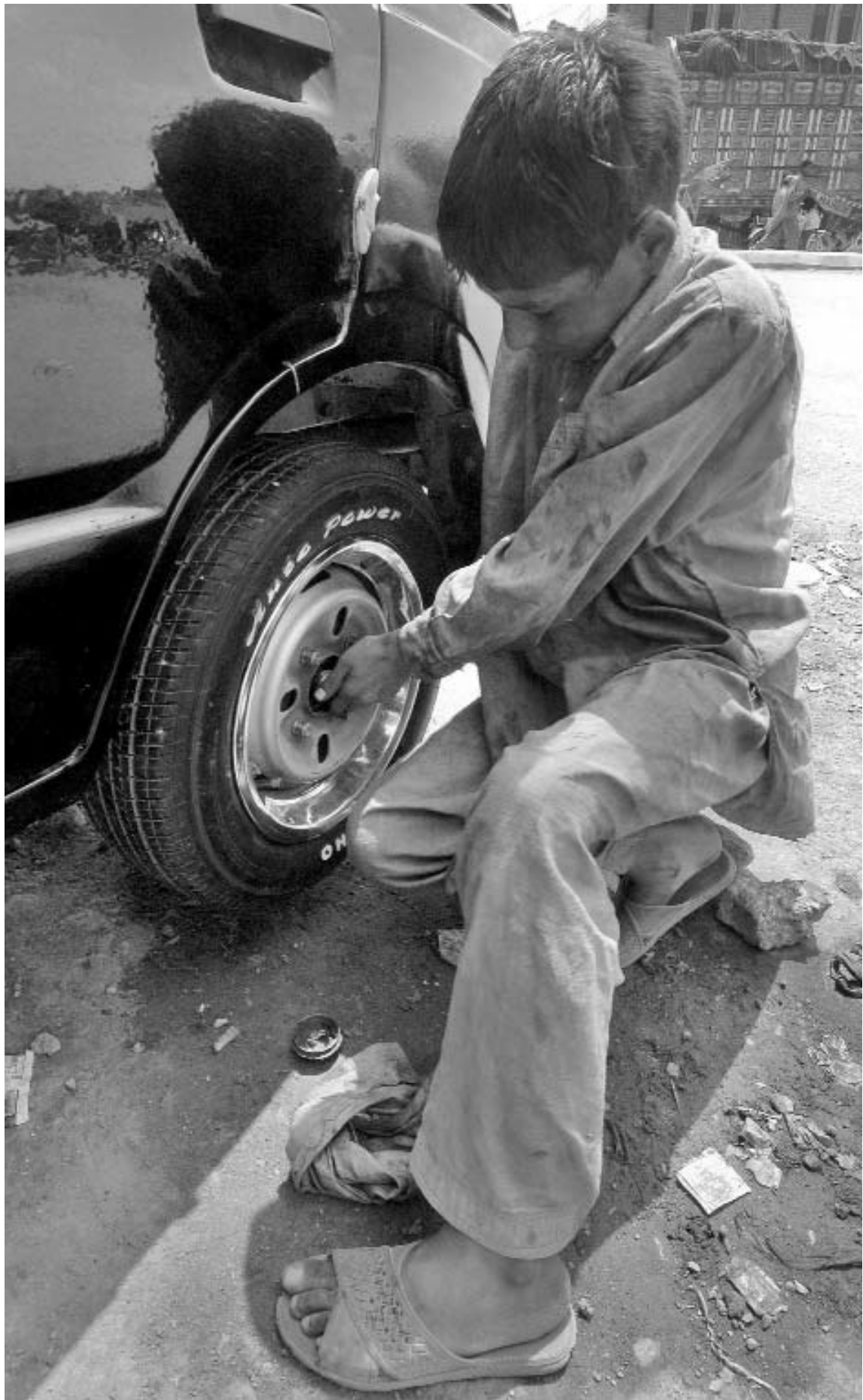
The assessment of conditions of work and employment put together in this report is based on the work undertaken by the PILER programme and field staff members in recent years. Besides small surveys, rapid assessments and sector profiles, the national conventions of workers in the textile, brick kilns, transport, construction and light engineering sectors organized by PILER in 2005 have contributed richly to the report. Information sharing by workers' representatives, trade unionists, social activists during seminars, training workshops and consultative meetings organized by PILER and the help sought by the workers through the Labour Rights Helpline services have also provided insights in to the assessment.

The report, first of its kind, acknowledges being deficient in many aspects in view of the constraints in documentation and systematic data collection prevalent at all levels of society. The constraints include non-cooperation of state governance structures to share data related to labour, lack of dispassionate critique of labour legislation, and the lack of a unified institutional mechanism at non-governmental level to monitor labour matters.

PILER looks forward to critical review, comments and suggestions for improvement in future reporting.



Karamat Ali
Executive Director
April 2007



Contents

1. Introduction	9
Enabling Rights	
Overview of Economy	
Recent Legislative Changes	
Labour Struggles	
<i>Core Labour Rights</i>	
<i>List of ILO Conventions Ratified by Pakistan</i>	
2. Labour Policy and Legislation	15
Labour Protection Policy 2005 & Labour Inspection Policy 2006	
Consolidation of Labour Laws	
Draft Labour Legislations	
Draft Employment and Services Conditions Bill 2006	
Draft Punjab Pension Fund Act 2006	
Draft Federal Court Bill 2005	
Labour Legislation: Current Status	
Finance Act 2006	
Punjab Employees Efficiency, Discipline and Accountability Act 2006	
Voluntary Pension System Rules 2005	
IRO 2002	
Campaign against IRO 2002	
<i>Constitution of Pakistan</i>	
<i>Labour Inspection Policy and the ILO Convention No.81</i>	
3. Status of Labour	23
Labour Force Participation	
Sector Growth and Employment	
Labour in the Informal Sector	
Women in Labour Force	
Labour in Agriculture	
Sub-sectors: Livestock & Fisheries	
Labour Force Statistics	
Conditions of Work and Employment: 2006	
Agriculture	
Non-Agricultural Sectors	
<i>Employment Contract</i>	
<i>Contract Work</i>	
<i>Minimum Wages</i>	
<i>Delayed Payment of Wages</i>	
<i>Working Time, Overtime, Holidays and Leaves</i>	
<i>Maternity Benefits, Child Support at Workplace, Separate Toilet Facility</i>	
<i>Occupational Health and Safety</i>	
<i>Social Protection</i>	

Unionisation and Collective Bargaining
Human Development Indicators
De-linking of Output and Employment Growth
ILO Conventions on Agriculture
Contract Employees in the Public Sector
Urban Dairy Farmers' Demand for Land Ownership
Labour Laws Violations in Hattar Industrial Estate
OHS: TB among Powerloom Workers
Workers in the Gadoon Amazai Industrial Estate

4. Women in Labour Force 45

Gender Inequality Measures
 Gender, Constitutional Framework and Labour Legislation
 International Labour Conventions
 Labour Force Participation and Problems in Enumeration
 Composition and Socio-Economic Indicators of Female Labour Force
 Unionization
 Sexual Harassment at Workplace
 Home-Based Workers
 Women in Textile and Garment Sectors
 Women in Domestic Service
 Women Workers' Mobilisation
 Women Factory Workers in Multan
 Constitution and Gender Rights
 Legislation Concerning Women Workers
 Determinants of Occupational Segregation
 Discrimination in Remuneration
 Domestic Workers Around the World
 Organising India's Domestic Workers
 Sexual Harassment of Domestic Workers
 ILO Conventions and Recommendations on Domestic Work

5. Anti-Labour Actions and Workers' Struggles 59

Agricultural Workers
 Military Farms Workers' Movement for Land Ownership
 Fisheries Sector Workers' Struggle for Control over Resources
 Formal Sector Workers
 Against Privatisation
 Pakistan Steel Mills
 PTCL
 Against Labour Laws Violations

Sugar Mills Workers
Informal Sector
Powerloom Workers' Movement for Decent Work
Brick Kiln Workers' Struggle against Violation of Human & Labour Rights
Pearl Continental Hotel Workers' Struggle
Glass Bangle Factories Workers' Campaign for Decent Work

6. Marginalised: Bonded Labour, Child Labour, Migrant Labour **67**

Migrant Workers Residing in Pakistan
Afghan Refugees
The Aliens: Bengalis and other Nationalities
Bonded Labour
Interventions
Bonded Labour in Agriculture
Bonded Labour in Brick Kilns
Child Labour
Afghan Waste-Picker
Agriculture: Key Elements of the Bonded Labour Relationship
Bonded Labour in Brick Kiln
Child Labour in Agriculture
Child Labour and Segmented Labour Market

7. Labour Institutions **75**

Trade Unions
Overview of Trade Unionism
Workers' Organisations
State Institutions
State Labour Welfare Institutions
Employee Social Security Institution
Workers' Welfare Fund
Employees Old-age Benefits Institution (EOBI):
State Tripartite Institutional Arrangements
Labour Judiciary
Workers Employers Bilateral Council of Pakistan (WEBCOP)
Transport Workers' Organisations



Introduction

Long working hours, low wages, poor health and safety conditions, rising contractual work and increasing curbs on freedom of association and collective bargaining characterize the transforming nature of work relations in Pakistan in the present decade. Scrapping of protective clauses and introduction of restrictive labour legislation—over-riding constitutional framework—is on the rise. Violations of basic labour rights are on the increase across the board. The state has withdrawn itself from monitoring the implementation of labour laws through suspension of labour inspection. The capacity of labour judiciary to provide justice and oversight is eroding. Labour organizations, with legally empowered collective bargaining agency, stands shrunk in power and size.

Enabling Rights

Right to work and earn a decent living under conditions of freedom and dignity is recognized as one of the fundamental human rights. According to the Constitution of Pakistan, 'the state shall make provision for securing just and humane conditions of work...' (Article 37c), and '...shall ensure the elimination of all forms of exploitation and the gradual fulfillment of the fundamental principle, from each according to his ability, to each according to his work' (Article 3).

Pakistan is a signatory to both, the UN Universal Declaration of Human Rights 1948 that recognizes the right to work, to freely choose employment and to have just and favourable working conditions, and the 1998 ILO Declaration on Fundamental Principles and Rights at Work that pledges to 'promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity'. Pakistan has ratified all the eight core Conventions that codify the four most basic human rights related to the world of work—the right to organize and engage in collective

bargaining, the right to equality at work, the abolition of child labour and the abolition of forced labour.

The ILO defines decent work as '...productive work in which rights are protected, which generates an adequate income, with adequate social protection'¹. The notion of decent work includes economic dimensions as well as social aspects, particularly participation and dialogue, and is inextricably linked to social justice and democracy.

The types of instrumental rights that promote social justice and democracy, and lead to equitable development include '...political freedoms, economic facilities, social opportunities, transparency guarantees and protective security.'² The existence and effective functioning of institutions, including that of the state and the democratic system, play a crucial role in advancing instrumental rights, including the right to earn a decent remuneration through gainful employment or self-employment.

Sadly, ratification of international standards and the provision of constitutional framework have not secured labour rights to the vast majority of workers in Pakistan. Institutional decay, retrogressive labour legislation and lack of democratic culture are among the many reasons the workers at large are denied their rights and confronted with increasingly harsh conditions.

Economy

The fiscal and economic liberalization policies pursued by the government since 1988—with the beginning of Structural Adjustment Programmes—have brought about drastic changes in the workplace and in work relations. Formulated by the IMF, World Bank and the Asian Development Bank, at the behest of international capital, the process is continuously weakening the ability of workers to negotiate

advancement of labour rights through enhanced employment terms and conditions protected by better legislation and implementation. The expansion of informal economy, weakening of trade unions and the rising trend for anti-labour and pro-investor national labour legislation have also been a response to globalization and the resultant economic, commercial, technological, and political changes that are taking place nationally and globally.

In the 1990s, the pace of downward slide in the status of labour in the country was aggravated on several accounts including declining agriculture sector (in terms of both labour and output), decrease in wages in real terms, fall in public sector employment, cut in public (development) expenditure and reduction of subsidies. Poverty increased from 26.1 percent in 1990-91 to 32.1 per cent in 2000-01³.

In 2002, General Pervaiz Musharraf replaced the Industrial Relations Ordinance (IRO) 1969 with the IRO 2002. The additional curbs imposed by IRO 2002 on the right to unionize and the right to collective bargaining were com-

pounded by neo-liberal policies pursued relentlessly by the government. Without consent of the Council of Common Interests, the Privatisation Commission took '...giant strides on the strategic sale of mega projects...' ⁴ backed by massive state repression to stifle workers' resistance. Fifty-eight privatization transactions for assets of the federation, including those of public utilities (i.e. KESC, PTCL) were materialized during December 1999 to August 2006⁵. The impact of privatization on workers was adverse: thousands were made jobless with or without reasonable compensation, for others, employment conditions changed for worse as in many instances the new managements re-hired the staff on insecure contracts.

Though according to official statistics, the population living below poverty line shrank from 32.1 per cent in 2000-01 to 25.4 in 2004-05⁶, other economic indicators did not support the claim and the ground realities for workers remained as harsh as ever. Driven by food and fuel price hikes, the inflation was recorded at 8.9 by December 2006 adversely impacting the low and middle-income groups⁷. Slight decline in unemployment rate—from 7.7 per cent in 2003-04 to 6.2 in 2005-06—was noted officially. Of the 50.05 million active labour force, 3.11 million people were unemployed⁸.

Core Labour Rights

Out of 185 Conventions of the ILO Labour Code, evolved over a period of 86 years, the ILO has picked out 8 Conventions and grouped them under four most basic human rights as follow:

The right to organize and engage in collective bargaining

Convention 87: Freedom of Association and Protection of the Right to Organize (1948); Convention 98: Right to Organize and Collective Bargaining (1949);

The right to equality at work

Convention 100: Equal Remuneration Convention (1951); Convention 111: Discrimination (Employment and Occupation) Convention (1958);

The abolition of child labour

Convention 138: Minimum Age Convention (1973); Convention 182 on the Worst Forms of Child Labour (1999);

The abolition of forced labour

Convention 29: Forced Labour Convention (1930); Convention 105 on the Abolition of Forced Labour (1957).

Recent Legislative Changes

The year 2006 witnessed further erosion of labour rights in Pakistan with the induction of Finance Bill 2006. In violation of Article 73 of the Constitution, the Finance Bill included amendments in several labour laws and in the penal code. The amendments in the Factories Act 1934, Standing Orders Ordinance 1968, Shops and Establishment Ordinance, 1969, West Pakistan Industrial & Commercial Employment (Standing Orders) Ordinance 1968 and the Employees Old Age Benefits Institution Act 1976, have brought about fundamental changes in the labour laws with deleterious consequences on the rights of the workers. The amendments relate to increase in working hours and over time; have allowed the employers to make women work till 10pm in two shifts; added 'contract worker' to the definition of 'worker' without entitlement of overtime, and curtailed the number of establishments for registration with EOBI only to those employing more than 20 workers.

The number of unprotected workers continued to rise during 2006; one reason being that

List of ILO Conventions Ratified by Pakistan

Pakistan had ratified 35 ILO Conventions, including eight core labour rights Conventions by July 2006.

Convention	Ratification date	Status
C1 Hours of Work (Industry) Convention, 1919	14:07:1921	ratified
C4 Night Work (Women) Convention, 1919	14:07:1921	ratified
C6 Night Work of Young Persons (Industry) Convention, 1919	14:07:1921	ratified
C11 Right of Association (Agriculture) Convention, 1921	11:05:1923	ratified
C14 Weekly Rest (Industry) Convention, 1921	11:05:1923	ratified
C15 Minimum Age (Trimmers and Stokers) Convention, 1921	20:11:1922	denounced on 06:07:2006
C16 Medical Examination of Young Persons (Sea) Convention, 1921	20:11:1922	ratified
C18 Workmen's Compensation (Occupational Diseases) Convention, 1925	30:09:1927	ratified
C19 Equality of Treatment (Accident Compensation) Convention, 1925	30:09:1927	ratified
C21 Inspection of Emigrants Convention, 1926	14:01:1928	ratified
C22 Seamen's Articles of Agreement Convention, 1926	31:10:1932	ratified
C27 Marking of Weight (Packages Transported by Vessels) Convention, 1929	07:09:1931	ratified
C29 Forced Labour Convention, 1930	23:12:1957	ratified
C32 Protection against Accidents (Dockers) Convention (Revised), 1932	10:02:1947	ratified
C41 Night Work (Women) Convention (Revised), 1934	22:11:1935	denounced on 14:02:1951
C45 Underground Work (Women) Convention, 1935	25:03:1938	ratified
C59 Minimum Age (Industry) Convention (Revised), 1937	26:05:1955	ratified
C80 Final Articles Revision Convention, 1946	25:03:1948	ratified
C81 Labour Inspection Convention, 1947	10:10:1953	ratified
C87 Freedom of Association and Protection of the Right to Organise Convention, 1948	14:02:1951	ratified
C89 Night Work (Women) Convention (Revised), 1948	14:02:1951	ratified
C90 Night Work of Young Persons (Industry) Convention (Revised), 1948	14:02:1951	ratified
C96 Fee-Charging Employment Agencies Convention (Revised), 1949	26:05:1952	ratified
C98 Right to Organise and Collective Bargaining Convention, 1949	26:05:1952	ratified
C100 Equal Remuneration Convention, 1951	11:10:2001	ratified
C105 Abolition of Forced Labour Convention, 1957	15:02:1960	ratified
C106 Weekly Rest (Commerce and Offices) Convention, 1957	15:02:1960	ratified
C107 Indigenous and Tribal Populations Convention, 1957	15:02:1960	ratified
C111 Discrimination (Employment and Occupation) Convention, 1958	24:01:1961	ratified
C116 Final Articles Revision Convention, 1961	17:11:1967	ratified
C118 Equality of Treatment (Social Security) Convention, 1962	27:03:1969	ratified
C138 Minimum Age Convention, 1973	06:07:2006	ratified
C144 Tripartite Consultation (International Labour Standards) Convention, 1976	25:10:1994	ratified
C159 Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983	25:10:1994	ratified
C182 Worst Forms of Child Labour Convention, 1999	11:10:2001	ratified

Constitutional Rights

- Article 11 of the Constitution prohibits all forms of slavery, forced labour and child labour;
- Article 17 provides for a fundamental right to exercise the freedom of association and the right to form unions;
- Article 18 proscribes the right of its citizens to enter upon any lawful profession or occupation and to conduct any lawful trade or business;
- Article 25 lays down the right to equality before the law and prohibition of discrimination on the grounds of sex alone;
- Article 37(e) makes provision for securing 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 for women in employment.

employment rose both through more jobs in informal sectors, as well increasing informality of employment in the formal sector. Agricultural workers (43.1% of total employed workforce⁹), informal sector workers (73 per cent of the workforce¹⁰), employees of 16 major establishments and the workers of export processing zones remained outside the ambit of labour laws for labour protection and the Industrial Relations Ordinance 2002. The number of workers deprived of social protection would further rise in coming years as a result of the changes in EOBI Act that has curtailed its applicability in the formal sector and rendered smaller establishments ineligible to register.

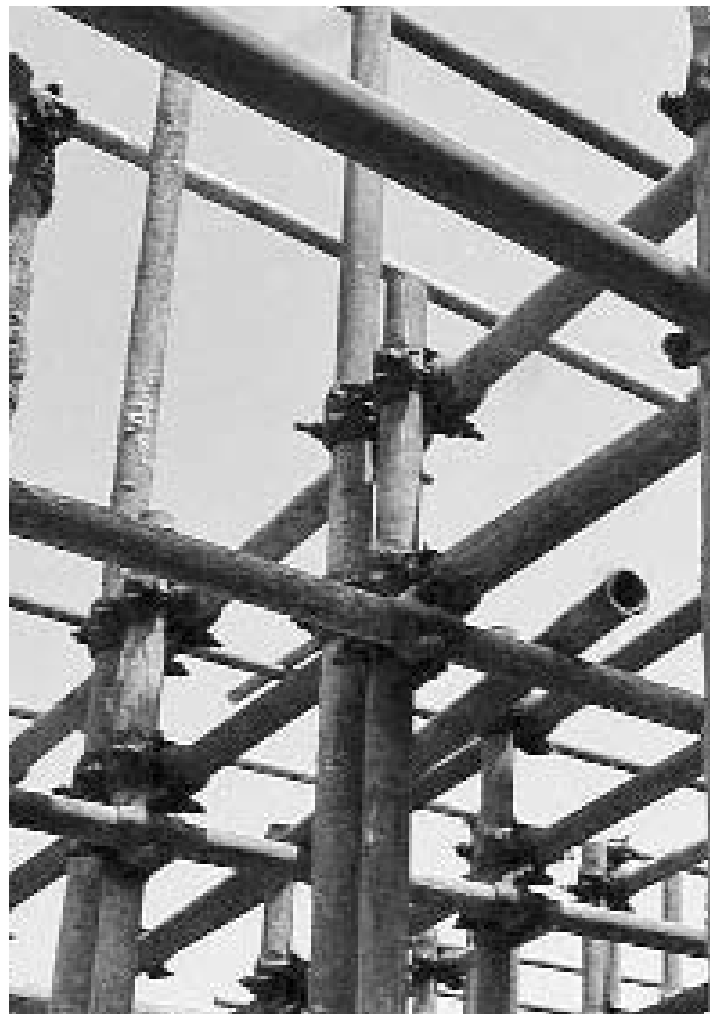
Official figures indicated declining percentage of workers categorized as 'employees' and deteriorating working conditions—41.82 percent worked for 48 hours or more per week¹¹. While the formal sector workers—27 percent of the employed workforce—grappled with growing job and income insecurity, increasing de-unionization and longer working hours, 73 percent of the informal workforce faced poor working conditions, low wages, lack of social protection and lack of representational security in the unorganized, voiceless, informal sector.

Labour Struggles

The resistance and campaigns for labour rights

by the informal sector workers continued in the year 2006. Years-long and concerted struggles of brick kiln and power looms workers in the informal economy yielded some gains in 2005-06 for the most vulnerable segments of workers. Thousands of brick kiln and power loom workers staged protest rallies, went on strike and suffered excesses by the law enforcing agencies. Many leaders and workers were arrested and detained in Faisalabad, Multan, Toba Tek Singh and Lahore. The strategic campaign of brick kiln workers for better wages and social security benefits, spearheaded by the All Pakistan Bhatta Mazdoor Union, resulted in government notification towards improved wages and the Supreme Court orders for better implementation of relevant laws for the protection of brick-kiln workers. Power loom workers' agitation against non-implementation of the tri-partite contract for improved wages signed in 2005 led to improved wages in some looms and increased registration of workers for social security benefits.

The Okara Military Farms' workers' determined struggle finally brought the army to negotiation with the movement's representatives. Aside a couple of incidences of arrest of farmers on allegedly fake charges, no excesses were committed by the law-enforcing agencies in the year



2006. Beginning from the last quarter of the year 2005, several meetings were held between the officials of the military, Rangers Punjab, Punjab Board of Revenue and the representatives of Anjuman Mazarain Punjab (AMP). The officials assured the AMP that the government is finalizing arrangements to grant land rights to the tenants as promised by Gen. Pervaiz Musharraf. By the end of 2006, the government functionaries had indicated that the General would make the announcement himself in early 2007 to secure vote for himself in the coming election from the vast constituency of occupant tenants¹².

The struggle of the inland and marine fisheries workers—united under Pakistan Fisherfolk Forum (PFF)—for abolition of the contract system in the inland water bodies and ban on deep-sea trawlers continued in 2006. In October 2006, the Fisherfolk Forum initiated a campaign against the sale of twin islands near Port Qasim, Karachi, for commercial development to a Dubai-based company.

After the failure of the country-wide struggle waged by the 65,000 strong workforce of the country's most profitable company, Pakistan Telecommunications Company Limited, against

Underemployment

Prevalence of low wages and, by the same token, low savings doesn't lend an average citizen to countenance asset-based stream of income to provide for rainy days. Similarly, paucity of social security and unemployment insurance schemes makes remaining out of work an un-workable proposition even after retirement. Thus bulk of the working hands tends to do all the time some sort of economic activity to make the both ends meet even party. Consequently, vast proportion of people worked less than 35 hours a week, and glued to the quest for alternative or additional work, may be considered at best as "employed at fringe" or underemployed.

—Pakistan Labour force Survey 2005-06

privatization in 2005, no significant struggle by the workers in the formal, unionized sector took place in 2006 with the exception of the resistance of teachers against the ban on teachers' unions in Sindh. Sporadic and atomized struggles of a number of formal sector units against retrenchment, including the PTCL, indicated further weakening of the trade unions. ■





Labour Legislation and Policy

Labour legislation in Pakistan is based on legal framework inherited by the British. Most of the laws enacted by the British during 1850 to 1947 have remained part of the country's Labour Code. Many others were amended several times, or had additional clauses inserted, or repealed. The trend in legislative changes since the last six decades has been retrogressive, anti-labour, and pro-capital, especially pro-international finance. The current decade has witnessed replacement of Industrial Relations Ordinance 1969 with more restrictive Industrial Relations Ordinance 2002. Further curbs on workers' rights have recently been brought about through amendments in labours law via Finance Bill 2006 violating the procedures provided under the Constitution for amendments in any Act of the Parliament.

Labour policy documents provide a blueprint for administrative procedures and labour legislation. Ironically, in Pakistan labour policy has, by and large, remained divorced from legislation. The previous four labour policies—1955, 1959, 1969, 1972—did not materialize in to pro-labour legislation. The much-delayed and weak Labour Policy 2002 does not even acknowledge the right of association for all workers and neither envisions extending basic rights to agriculture and the informal sector workers. Similarly, the more recent policy documents, the Labour Protection Policy 2005 and Labour Inspection Policy 2006 contain guidelines that are to impact adversely on labour rights.

Since the last decade the state has increasingly resorted to strategy of rhetoric in the matters of labour relations. In line with international organisations' concern for 'consultations with stakeholders', the state gets the draft policies and draft legislative pieces prepared by consultants and shares these with civil society representatives. It then leaves the process—and the drafts—

halfway, bypasses stakeholders' advice and suggestions and comes up with restrictive legislations and rules enacted through gazetted notifications, bills, ordinances, or via policy documents in other areas. Formation of task forces, comprising multi-stakeholders as members, is yet another component of state's dual strategy. A case in point is the Decent Work Task Force constituted in May 2006 by the Ministry of Labour just a month before the Finance Bill 2006 with retrogressive changes in labour laws were introduced. Nine grand objectives spelled out by the Task Force include realizing of '...standards and fundamental principles and rights at work'.

Labour Protection Policy and Labour Inspection Policy

In the last quarter of 2005, the Labour and Manpower Division shared two policy drafts with civil society representatives and workers' federations through consultative workshops organized by business lobbyist Small and Medium Enterprise Development Authority (SMEDA) at the end of the year. The Labour Protection Policy and the Labour Inspection Policy were prepared by the ADB consultants through a Technical Assistance grant under the Task Force on Labour Protection. The policy drafts have followed broader agendas and perspectives of the ADB and WB. Their neo-liberal positions advocate a minimum role of the state for a maximum role of the market in social regulation—laws and enforcement—of economic transactions. Growth rather than development, and hence employment rather than decent work, is sought by the Banks as the primary goal of governance. Hence labour "market regulation" is aimed towards minimising costs to government and business, rather than giving priority to realising universal labour rights.

The policies take no serious account of the fact that the vast and increasing number of workers

fail to receive state protection for even core labour rights. Hence restricted legislation remains as the limiting framework for policies. On both counts of coverage and application, both the policies violate the national Constitution, ILO Conventions generally and the ILO Declaration of Principles in particular. Among other violations, these policies are tainted by discrimination between workers and enterprises of different categories, in separate sectors, and in varying occupations. The inspection arrangements in the formal sector are proposed to be more focused on work places at risk and further diluted by reducing routine inspection and replacing by self-reporting, corresponding reduction in follow-up visits and replacing government by private firms for special inspections. The Policy proposes to cover informal sector through 'Labour Extension' which is "...not concerned with enforcement. The emphasis is on information and advice"¹.

Labour inspection has a pivotal role to play in the implementation of national policies and legislation, as well as ILO core labour standards. The weakened role of labour inspection is expected to lead to further deterioration in working conditions and increased violations of labour laws, particularly those related to health and safety and minimum wages.

Consolidation of Labour Laws

Recent years have witnessed a change world wide towards national labour law reforms prodded by international financial institutions, ostensibly to facilitate competitiveness in free trade but really to secure higher returns on international capital flows. The discourse on law reforms now emphasizes 'rationalisation and consolidation' of legislation, rather than realizing labour rights. In Pakistan, law making for social justice has never been the priority of the august bodies. Hence the country has only 216 legislative pieces on labour, social security and related human rights legislation as compared to the number of legislations under similar category in developed countries (3,915 in France; 2,481 in UK; 1,541 in USA)².

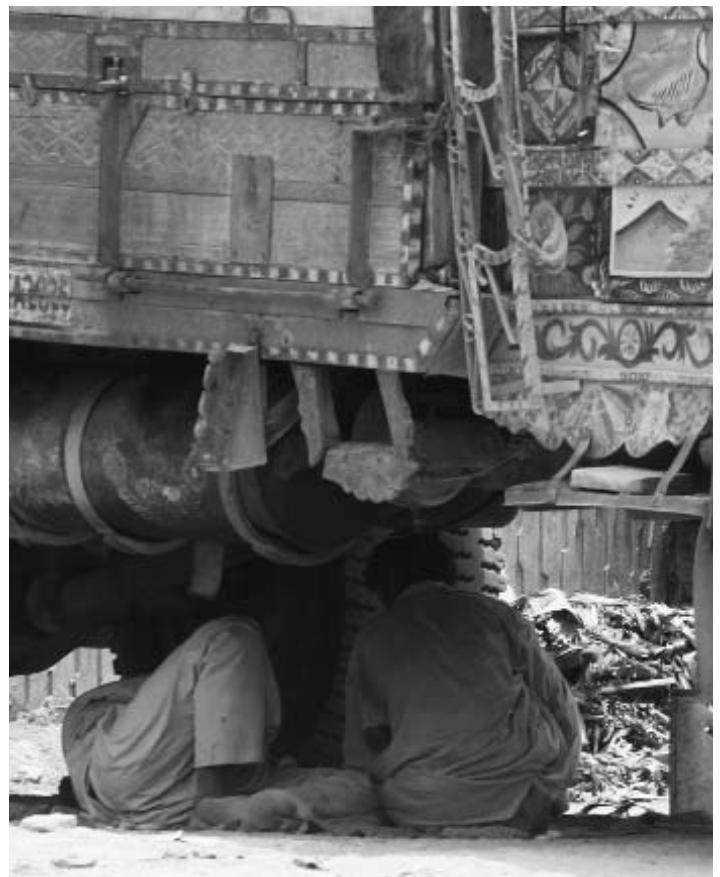
The Task Force on Labour, 1994, recommended consolidation of labour laws. The Commission for Consolidation, Simplification and Rationalization of Labour Laws was instituted in March 1999 and reconstituted—with revised Terms of Reference—through notification of October 1999. According to the ToR, the Commission was assigned the task to consoli-

Constitution

The state shall ensure the elimination of all forms of exploitation and the gradual fulfillment of the fundamental principle, from each according to his ability, to each according to his work. Article 3, Constitution of Pakistan

The state shall make provision for securing just and human conditions of work... Article 37 (c).

date labour laws in to five categories, i.e. industrial relations, fixation and payment of wages, employment and working conditions, occupational health and safety and human resource development, and labour welfare and social safety nets³. The Commission was not conferred with power and authority to inquire in to labour laws but only to reclassify the laws. Also, the members of the Commission were divided on the matter of observance of policy directions provided in the Federal Constitution and the ratified ILO conventions⁴. The Commission was rendered ineffective because the Chair kept waiting for a new labour policy. The Labour and Manpower Division entrusted the task of consolidation of laws to a local lawyer in 2000.



Draft Labour Legislations

In 2001, the Labour and Manpower Division shared six drafts of consolidated proposed laws with the stakeholders—employers' federation, workers' organizations and related civil society institutions. The drafts included the Industrial Relations Ordinance, the Wages Ordinance, Conditions of Employment Ordinance, Occupational Health and Safety Ordinance, the Human Resource Development Ordinance, and the Labour Welfare and Social Security Ordinance. In October 2002, General Pervaiz Musharraf enacted the Industrial Relations Ordinance 2002, over-riding stakeholders' comments and suggestions. The remaining five drafts were put on hold. In late 2006 a draft Employment and Services Conditions Act 2006 was put on the official website bypassing the drafts prepared through tri-partite consultations between state, employers and workers.

Draft Employment and Services Conditions Bill 2006

The Draft Employment and Service Conditions Bill, 2006 is a consolidation of twelve earlier pieces of labour legislation. The changes included in this draft Act are the same as contained in the Finance Act 2006 and now stand incorporat-

ed in several labour laws. Also, there is no mention of paid casual leaves.

Positive aspect of this draft is its enhanced applicability through inclusion of several new categories of establishments which were previously limited to commercial and industrial establishments. 'Establishment' now includes "...any business, trade, profession, office, firm, factory. Society, undertaking, company, educational institution, hospital, shop, premises, enterprise or organization of whatsoever nature which employs workmen directly or through contract..."⁵ The ambiguity in 'enterprise or organization of whatsoever nature' leaves a chink open for agriculture sector which yet remains to be included specifically.

Another positive aspect its applicability of rules under sections 19 (Closure of Establishment), 29 (Payment of Bonus), 46 (Punishment) and 47 (Termination of Employment) to enterprises that have more than 20 employees. Previously these were applicable to 50 plus workforce.

There is a need for in-depth study of the draft Bill by legislators.

Draft Punjab Pension Fund Act 2006

The draft has been prepared as a part of ADB-initiated reform agenda under the Punjab Resource Management Programme. Under the proposed law, the Government Provident Fund for government employees will be made an off-budget item and turned into independent fund to be managed provincially. The Punjab Pension Fund will be created and managed by Punjab Pension Fund Management Committee which may decide either to outsource the management of the fund or do it internally. This step, according to the officials, is taken to address the issue of increasing burden on the provincial resources on account of pension and GP Fund liabilities. This draft legislation is another indication of the state shedding its responsibility and turning to the corporate sector to manage employees' social security needs.

Draft Federal Court Bill 2005

In its relentless pursuit of free-market economy and to attract foreign investment, the government had announced in August 2004 to establish federal court to provide 'expeditious and speedy justice' to financiers and investors through handling of financial and business disputes within 90 days. The draft Federal Court Bill, circulated in January 2005, would have



given the proposed court exclusive original jurisdiction and appellate jurisdiction on matters falling under 29 laws pertaining to environment, finance, business and trade, labour, emigration, privatization and taxation. The proposed law was considered unconstitutional by legal experts "... because it would in effect take away the independence of the judiciary, and impede the very concept of 'access to justice' which it is supposed to facilitate."⁶ The proposed law was strongly opposed by the judiciary and rejected by the Law and Justice Commission. It was observed in the report of the Commission's meeting in February 2005 that "... this court will create chaos in the country and the litigants and lawyers both will suffer."⁷

Labour Legislation: Current Status

Fundamental changes in labour laws, brought about through Finance Act 2006, have given legal coverage to certain exploitative working conditions prevalent in many work places: long working hours in general, late working hours for women in particular, no compulsory closed weekly holiday, and no entitlement of overtime to contract workers. Now sanctioned by the labour code, these conditions are expected to become a norm in work places.

During 2006, a large number of workers in the industries and services (public) sector, all workers in agricultural sector, and all workers in the informal sector remained excluded from labour laws governing rights of freedom of association and collective bargaining under the Industrial Relations Ordinance (IRO) 2002. The teachers' associations in Sindh were banned through a notification by the Sindh Education Board issued in July 2006. The ban was annulled as 'malafide

and of no legal effect' by the Sindh High Court in December 2006.

In addition to the continuing curbs on, or attempts to curb the rights of organization and collective bargaining to majority of the workers, and the restrictions on trade unions on the right to register and the right to strike, there was an increase in discriminatory dismissal of trade union workers under section 46 (5) of IRO 2002 that does not empower the labour court to order re-instatement of the worker but allow the court to grant meager financial compensation (with a discretionary 12 to 30 months' wages) to wrongfully dismissed workers.

The Punjab Labour Department and the Punjab Employees Social Security Institutions continued to be restricted from conducting inspections of the industrial units for monitoring of labour laws violation. The anti-labour measures spelled out in the Punjab Industrial Policy 2003—implemented through Executive Order from the Chief Minister—remained in force. Punjab Industrial Policy 2003 has eliminated inspection of industries/workplaces by labour inspectors in violation of ILO Convention 81 ratified by Pakistan.

The inspection has been replaced by a self-declaration system for units having 50 or more workers. In contrast, the provincial government did not enforce the provision of regular meetings, as spelled out in the Policy, of the tripartite bodies set up for resolution of industrial disputes. The representatives of employers stayed away from the meetings of the District Tripartite Monitoring and Consultation Committee and the District Human Resource Board. Also, only a small fraction of industrialists filed the declarations prescribed under the Industrial Policy 2003.

Finance Act 2006

In July 2005, Federal Minister for Labour, Manpower and Overseas Pakistanis disclosed that the Federal Cabinet had approved amendments to certain labour laws which would be presented to the Parliament and were expected to be part of the ordinance after approval from the Parliament.⁸ The laws mentioned were the West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance, 1968, Workmen's Compensation Act 1923, Factories Act 1934, and the West Pakistan Shops and Establishments Ordinance 1969. The draft amendments were not presented to the Parliament.

IRO 2002

IRO 2002 stand affirmed/adopted by virtue of having been made by Competent Authority and by inserting Article 270-AA in the Constitution, hence it is not repealed/relapsed after four months of its promulgation and non-placing of it before National Assembly.

By virtue of Article 270-AA of the Constitution—a new article inserted by the Legal Framework Order 2002—all laws made between 12-10-1999 and the date on which the aforesaid Article came into force, stand affirmed/adopted etc. and declared to have been made by Competent Authority notwithstanding anything contained in the Constitution.

In 2006, through an extraordinary and unconstitutional move, bypassing the system of tri-parite consultation, the government made amendments in seven labour laws through the Finance Bill 2006 inducted to establish the federal budget 2006-07. The Bill was passed by the National Assembly on June 22 and put into effect from 1 July 2006.

Under the concept of flexible timings, the amendment in the Shops and Establishments Ordinance, 1969, has allowed spread over period of daily work, inclusive of rest interval and meals, to 12 hours. The compulsory closed weekly holiday has been replaced with 'one day in each week'. The provisions under sections 38 and 45 of the Factories Act 1934 that put a bar on women to work before sunrise and after sunset have been scrapped. Instead, women are permitted to work in two shifts up to 10 pm. The category of 'contract worker' has been added for the first time under the Industrial and Commercial Establishments (Standing Orders) Ordinance 1968, but without entitlement to compensation for overtime through the amendment in the 1960 Ordinance. In addition the ceil-

ing for overtime has been increased from 150 hours to 624 a year for adult and from 100 hours to 468 hours for juveniles. The amendment in the Employees Old Age Benefit Institution Act 1976 has restricted its area of applicability, and thus of benefits to workers.

The amendment in the Minimum Wages for Unskilled Workers Ordinance 1969 is positive for workers as the minimum wage has been raised from Rs. 3000 to Rs. 4000. The amendment in the Workmen's Compensation Act, 1923 is also beneficiary to workers as its area of applicability is increased to the workers with higher wages (up to Rs. 6000) as well. The changes in the Companies Profits (Workers' Participation) Act 1968, and the Workers' Welfare Ordinance 1971 are largely technical in nature.

Punjab Employees Efficiency, Discipline and Accountability Act 2006

The Act passed by the Punjab Assembly in October 2006 is consolidation of the Punjab Employees Efficiency and Disciplinary Rules 1974 and the Punjab Employees Efficiency and

The ILO Convention on Labour Inspection

Pakistan ratified the ILO Labour Inspection Convention, 1947 (No.81) in 1953 (but has not ratified the Labour Inspection (Agriculture) Convention, 1969, No. 129).

The ILO Labour Inspection Convention, 1947 (No.81) requires:

- labour inspection under the control of a central authority;
- effective coordination between inspection services, other government services and public and private institutions engaged in similar activities;
- inspection staffs with status and conditions of service which assure stability of employment and independence;
- recruitment of labour inspectors on the basis of qualification;
- appropriate association of technical experts with labour inspectors;
- strength of labour inspection services sufficient to secure effective discharge of duties;
- sufficient and appropriate furnishing and transport for inspectors;

- authority for inspectors to enter workplaces;
- authority for inspectors to order changes in work place arrangements which threaten health and safety;
- regular workplace inspection;
- adequate penalties for violations of laws and regulations;
- publication of an annual report containing designated information.

The Labour Inspection Policy 2005 omits crucial aspects of the ILO Labour Inspection Convention.

At present the following national labour laws contain clauses for inspection:

- Factories Act 1934
- West Pakistan Industrial & Commercial Employment (Standing Orders) Ordinance, 1968
- West Pakistan Shops & Establishment Ordinance, 1969
- Payment of Wages Act, 1936
- Mines Act, 1923

Disciplinary Rules 1999 applicable to government and corporations' employees. Through a new clause, the rules will be applicable to retired persons who may be awarded strict penalties after retirement on account of misconduct.

Voluntary Pension System Rules 2005

The Rules set out a blueprint for privatized pension scheme through self contributions by workers who have a valid National Tax Number but are not employed in any position to avail existing pension schemes. The licenses to the pension fund managers were to be issued in early 2007. There are concerns about coverage and gender equity of the scheme when it is implemented in years to come. In 2006, a US-based consultant firm submitted its inception mission report under ADB technical assistance to the government concerning 'Reform of Retirement Benefit Systems in Pakistan'.

IRO 2002

The Industrial Relations Ordinance (IRO) 2002 was promulgated by Gen. Pervaiz Musharraf on 26 October 2002—replacing the IRO 1969—and saved under sub-Article (1) of Article 27-AA of the Constitution under the dubious 'law of necessity'. The IRO 2002 severely restricts labour rights and violates workers' fundamental rights enshrined in Article 17 of the country's Constitutions and in the International Labour Organization's Conventions (No. 87 and 98) on the rights to freedom of association and collective bargaining.

The IRO 2002 excludes:

- agricultural workers;
- rural workers in the informal non-farm sector;
- urban workers in the informal sector.

The following establishments are expressly excluded from the scope of IRO 2002:

1. Pakistan Security Printing Corporation;
2. Pakistan Security Papers Ltd;
3. Bata Shoes, when supplying shoes to the armed forces; Pakistan Mint;
4. Hospitals and ambulance services;
5. Fire fighting services;
6. Postal, telegraphs and telephone services;
7. Institutions established for payment of employees' old-age pensions or workers' welfare (EOBI, Social Security Institutions));
8. Watch and ward and security services staff maintained in any establishment;

9. Establishments for generation, production, manufacture of supply of electricity, gas, oil, or water to the public;
10. Railways;
11. Civil services (applicable to all employees, including the low level staff);
12. Export Processing Zones and Special Industrial Zones (SIZ).

In addition, at the end of Section 1 (4), the IRO 2002 states that "...the Federal Government may suspend, in the public interest, by an order published in the official Gazette, the application of this Ordinance to any establishment or industry for a period specified in the order..."⁹. This clause did not exist in the IRO 1969. Though throughout the decades, the state had suspended workers' right whenever it deemed 'fit' but it was done through the application of section 3 of Pakistan Essential Services (Maintenance) Act, 1952. The draconian clause was incorporated in IRO 2002 ostensibly to put related exclusionary clauses together under this legislation.

Under IRO 2002, the ban put earlier on trade union rights in Karachi Electric Supply Corporation, Pakistan International Airlines, remain in force. The IRO 2002 restricts the right





to strike by imposing longer time limits before the strike can be called and makes it mandatory for a trade union to affiliate with a federation at the national level registered with the National Industrial Relations Commission (NIRC) within two months. This forced affiliation is contrary to the ILO Convention on Freedom of Association. Section 19 requires audit of the accounts of trade unions and federation by a firm of chartered accountant appointed by the Registrar. This was not required under previous IRO.

Also, the jurisdiction of NIRC is restricted to provide interim relief to workers against unfair labour practices by the employers. Employers engaged in serious anti-labour practices are liable to fines but not to imprisonment. It restricts participation of workers in management through work councils, joint management boards and joint management committees. The reinstatement of workers in case of wrongful dismissal is curtailed through restricted jurisdiction of the labour courts.

Campaign against IRO 2002

The campaign against IRO 2002 initiated by the workers, trade unions representatives and labour organizations, and supported by civil soci-

ety groups, human rights activists, lawyers, parliamentarians and media persons, continued in 2006. The alternative draft Industrial Relations Ordinance Amendment Bill 2005 submitted to the National Assembly Standing Committee on Labour and Manpower, was sent to the Prime Minister for approval in mid 2005 before its submission to the federal cabinet. The draft bill did not come for discussion before the Assembly till the end of 2006.

It is to be noted that on promulgation of IRO in October 2002, a complaint against the Government of Pakistan was submitted to the ILO in April 2003 by the Pakistan National Federation of Trade Unions, All Pakistan Federation of Trade Unions and the EOBI Employees' Federation of Pakistan. The complaint was supported by the International Confederation of Free Trade Unions and the International Transport Workers' Federation. The ILO Committee scrutinized the complaint and reached the conclusion that in most of its clauses, IRO 2002 is restrictive and goes against the universally accepted rights of workers. The ILO Committee requested the Government of Pakistan to bring the law in conformity with the relevant ILO conventions. ■



Status of Labour

Improved quality of life and better terms and conditions at workplace—as measured through increase in real wages, healthy work environment, more free time and better social security—remain an elusive dream for the majority of work force in Pakistan.

Output growth, averaging at 5.42 percent in the current decade (2000-06)¹, has not led to significant improvement in socio-economic status of the common worker. Employment growth has lagged behind labour growth continuously since the last three decades. Employment generation is increasingly taking place in the informal economy, a sector characterized by low wages, job insecurity and poor working conditions. Growing unemployment and under employment, and rising income inequality between rich and poor indicate the direction of non-distributive, growth-led development. Deficits in basic human capabilities of workers (access to education, health, skill-formation, civil and legal rights) have remained significant. Structural inequalities, pro-capital/pro-rich economic policies and anti-labour legislation are some of the reasons cited for depressed socio-economic status and rising insecurity among the labour force.

Table 1. Trends in GDP, Employment Growth and Labour Force Growth (%)

	1971-1980	1981-1990	1991-2000	2001-06
GDP	4.8	6.5	4.6	5.42
Labour Force	2.93	2.26	2.41	2.12
Employment	2.73	2.21	2.34	1.79

Source: Labour Force Surveys

Table 2. Labor Force and Employment (millions)

	1970s	1980s	1990s	2000-2006
Total Labour force	21.51	28.46	35.1	43.8
Employed Labour force	20.97	27.46	33.1	40.52
Unemployed Labour Force	0.54	1.00	2.0	3.28
Unemployment Rate (%)	2.43	1.4	5.7	7.4

Source: Labour Force Surveys

Labour Force Participation

Labour force participation rate among persons of 10 years and above rose from 43.7 in 2003-04 to 46 percent in 2005-06. A closer look at the structure of employed workforce reveals that unpaid family helpers constituted 26.9 per cent while employees and own-account workers accounted for 37.3 per cent and 34.9 per cent respectively in 2005-06². Though unemployment rate decreased from 7.7 per cent in 2003-04 to 6.2 in 2005-06, underemployment (less than 35 hours per week work per person) went up to 15.19 per cent in 2005-06 from 13.97 in 2003-04³. The improved labour force participation rate is mainly due to an upsurge in the numbers of under-employed workers and unpaid family helpers, and could not be termed as increase in decent employment.

Sector Growth and Employment

Of the total 50.05 million labour force, 43.4 per cent was employed in agriculture. The sector's output decreased from 6.7 in 2004-05 to 2.5 per cent during 2005-06⁴. Employment growth also registered a decline from 43.22 per cent in 2003-04 to 42.04 per cent during 2005-06 in the agriculture sector.

Both output and employment growth registered a decline in the manufacturing sector in 2005-06 compared to the preceding year. Manufacturing sector grew by 8.6 per cent and employed 13.6 per cent of the labour force⁵. Capital-intensive and labour-productivity driven manufacturing sector has been de-linked since last three decades from employment expansion with the exception of textile and apparel industry.

The textile sector suffered a sharp decline in output from 24.7 percent in 2004-05 to 4.3 percent in 2005-06 due to constraints at the end of the quota system for international trade. The decelerated output is expected to have adverse

impact on employment opportunities in the sector in coming years unless the trend changes.

Employment expansion in the manufacturing sector has largely occurred in the informal, small-scale manufacturing units operating under severe constraints and labour rights deficits. Opportunities of secure employment in the formal, large-scale manufacturing sector have shrunk due to relocation, cutback and increasing switch over to outsourcing and contractual labour.

After agriculture, the second most labour-intensive sector was the services sector. With a GDP growth of 8.8 percent which accounted for over 52.3 per cent of the GDP share, the services sector absorbed one-third of the work force during 2005-06. The two main components of services

sectors—transport, storage and communications and trade—are labour-intensive and pre-dominantly informal, characterized by non-compliance and non-applicability of labour legislation.

Finance and insurance, though the strongest component of the services sector in terms of GDP output, shrank in terms of employment growth in 2005 due to downsizing, privatization and global political pressures on banking in the country. The terms and conditions of employment in the banking and finance worsened for the majority of workers.

Employment trends in the last three decades indicate increasing unemployment, rising number of unpaid family helpers in rural areas and own-account workers in small scale manufacturing, transport and services in urban areas. Another indicator of worsening conditions is the lengthening of working hours. The absolute number of employed working more than 48 hours jumped from 10 millions in the mid 1970s to 18 millions in 2003-04.

Labour in the Informal Sector

Share of employment in the informal sector has been expanding since the last three decades. Employment in the informal economy went up from 70 per cent in 2003-04 to 73 per cent in 2005-06⁶. The deregulation of labour market under the structural adjustment programs of the IMF and World Bank and the dismantling of the public sector enterprises have accelerated this process. An increasingly large number of workers are being pushed in to the unregulated and unprotected informal sector that comprises own-account workers (home-based/micro-enterprise workers or street vendors) and wage workers (casual workers with or without fixed employers, domestic workers and contract workers in factories, shops and establishments and in free trade zones). In 2005-06, 36.54 million people were employed in the informal sector—and excluded from labour legislation—compared to 13.5 million in the formal sector of whom a significant number is excluded under the IRO 2002⁷.

In urban areas trade, hotels, construction, transport, communication and storages, and services and utilities have been traditionally dominated by small-scale entrepreneurs and workers. The expansion in informal workforce in the manufacturing sector has been most pronounced in recent decades. The changing production process of large-scale manufacturing at the global level is leading to elimination of the jobs

Table 3. Employment Trends in Pakistan

	1974-75 (millions)	2003-2004 (millions)	Change (millions)	Ratio of Change	Share of Change (%) In Labour Force
Labour Force	20.4	45	24.6	2.2	100
Unemployed	0.4	3.3	2.9	8.3	12
Employed	20	42	22	2.1	89
					In Employed
Self-Employed	10	16	6	1.6	27
Unpaid Family Helper	6	10	4	1.7	18
Employee	4	16	12	4.0	54
Employed in Agriculture	11	18	7	1.6	32
Employed in Non-Agriculture	9	24	15	2.7	68
Children (10-14)	0.7	2.5	1.8	3.6	8
Youth (15-19)	0.9	6	5.1	6.7	23
Employed working less than 25 hours in week	2.1	2.5	0.4	1.2	1.8
Employed working more than 48 hours in week	10	18	8	1.8	36
Employed in Non-Agriculture	9	24	15	2.7	68
Trade, Restaurants & Hotels	2.2	6	3.8	2.7	17
Manufacturing	2.8	6	3.2	2.1	14
Services & Utilities	2.2	7	4.8	3.2	22
Construction	0.9	2.4	1.5	2.7	7
Transport, Storage & Communication	1.0	2.4	1.4	2.4	6

Source: Labour Force Surveys.

of permanent full-time workers by outsourcing and subcontracting and by relying on unstable forms of labour (casual, part-time, temporary, seasonal, on call). The process has shifted the responsibility for income, benefits, and conditions to the individual worker, who stands deprived of social protection previously accrued through collective management or state and legislative mechanisms.

Women in Labourforce

Female participation (of 10 years and above) has shown an increasing trend since 2001-02. During 2005-06 it rose to 41.1 per cent (from 37.7 per cent in 2001-02). There are several factors that caution against optimism associated with rising female employment: first, improved enumeration methods have provided better reporting of female participation previously ignored, and secondly, increase in female employment rate has occurred mainly in the category of unpaid family helpers. Lastly, the majority of employed women, besides those who work as unpaid family helpers, have been inducted in low-paid, low-skill manufacturing/services jobs on contract or as home-based, piece-rate workers. (for details see Chapter 4).

Labour in Agriculture

Change in land tenure pattern, since the last four decades, has led to a decline in tenancy and an increase in the number of small owner-cultivated farms. (Table 5) Reduced tenancy, both in the number of farms and in the area farmed, results in increased landless labour which gets absorbed as casual labour in agriculture and/or pushed into urban low-wage labour market. Casualisation of labour that reached its peak in the 1990s is reported to have declined in the current decade. Still the number of farms reporting casual labour is as high as 42 per cent. (Table 6).

Increasing casualization of agricultural labour is attributed to a highly skewed land-holding pattern, increasing mechanization of agricultural production and shift in cropping pattern in favour of cash crops. Sixty-two per cent of the land-holdings of less than 1 to 5 acres comprise 15 per cent of the total cultivated area, while 5 per cent of big land-holding of 25 to 15 acres comprises 46 per cent of the cultivated land⁸.

The rising number of small owner-cultivated farms has not lead to increase in productivity. Crop production growth has remained stagnant

while the increasing use of inputs—chemical fertilizers and pesticides—has raised the cost of production resulting in depressed farm incomes. The real wages of casual workers have declined over time. According to official data, average monthly income of an agricultural worker is Rs. 2,403⁹, much below the national minimum wage of Rs.4,000 announced in July 2006.

The low incomes of agricultural workers, combined with poor access to basic facilities in health and sanitation, education and physical infrastructure, have led to a high incidence of poverty, particularly among landless households. Of the total agricultural household, 10 per cent are reported to be under debt.¹⁰ According to an estimate, based on 2000 Census data, in the province of Punjab there were 250,000 bonded sharecropper households. With average household size of 7.3, these households are estimated to include nearly 2 million family work-

Table 4. Employment in Informal Sector, 2003-2004

	Total (million)	Formal (million)	Informal (millions)	Share of Informal (%)
Labour Force	45			
Unemployed	3.3			
Employed	42	7	35	83
Employed in Agriculture	18	0	18	100
Employed in				
Non-Agriculture	24	7	17	70
Rural	11	3.1	8	73
Urban	12	4.0	8	67
Male	22	6	15	70
Female	2.3	0.8	1.5	66
Trade, Restaurants				
& Hotels	6	0.4	6	93
Manufacturing	6	2.3	3.4	60
Services & Utilities	7	3.6	3.4	48
Construction	2.4	0.2	2.2	91
Transport, Storage				
& Communication	2.4	0.5	1.8	77

Source: Labour Force Survey

ers. Most of these workers suffer the worst form of exploitation under the conditions of debt bondage. (see Chapter 6)

Sub-Sectors

Livestock: Small and subsistence farmers complement crop income with livestock incomes. Livestock has come to assume a critical role in

the rural economy since last couple of decades. According to official estimates, in 2005-06 as many as 30-35 million rural population depended on livestock.¹¹ According to HIES 2001-02, crop income accounted for only 26.73 per cent of total income for households operating on less than one acre farms. A major portion, 45.46 per cent of the household income came from wages (casual labour/non-farm activities) while livestock income input was 2.73 per cent.

Fisheries: Fisheries is an important source of livelihood for coastal communities in Sindh and Balochistan. Fisheries workers include crew members employed on crafts plying in marine and inland water bodies as well as those engaged in fish processing plants, curing, yards, fish vending, fish farming and other auxiliary industries. Fish workers are among the most vulnerable and marginalized sections of the labour force. Coastal settlements, despite proximity to urban areas (i.e. Karachi) remain deprived of basic facilities of education, health, sanitation, safe drinking water and metalled roads.

In year 2003-04, about 395,000¹² people earned their living through fishing. Out of which 31.6 percent were engaged in marine fisheries, and 68.4 percent in inland fisheries.¹³ The employment has increased in marine sector by six percent and declined in inland fisheries during the same period due to depletion and destruction of water bodies and increasing loss

Table 5: Changing Tenure Pattern

Tenure of Farms	Relative Share in per cent				
	1960	1972	1980	1990	2000
All Farms	100	100	100	100	100
Owner	41	42	55	69	78
Owner-cum-tenant	17	24	19	12	8
Tenant	42	34	26	19	14

Source: www.statpak.gov.pk/depts/aco/publications/emerging_trends.pdf

Table 6: Pattern of Agricultural Workers

Type of Labour	1972	1980	1990	2000
Family Workers as % of family members	55	60	50	46
% of Farms reporting casual labour	30	45	50	42
% of Farms reporting Permanent hired labour	7	4	4	4

Source: www.statpak.gov.pk/depts/aco/publications/emerging_trends.pdf

De-linking of Output and Employment Growth

In the manufacturing sector, productivity growth was very low (1.3 per cent) in the 1970s. It increased to a very high rate in the 1980s (7 per cent) and has declined to middling (4.6 per cent) rate in the 1990s. Employment growth has very clearly seen a decline from the 1970s, through the 1980s to the 1990s. During the 1990s it has become negative. Output growth in manufacturing was around 4.7 in the 1970s, it rose to a very high 8.4 per cent in the 1980s and returned to a lower level of 4.2 per cent in the 1990s. Clearly, manufacturing is the sector where there is a prima facie evidence of de-linking of output and employment growth.

Nomaan Majid, Pakistan: Employment, Output and Productivity, ILO, 2000

of control of fishers over these resources. Exploitative contract system operates in inland fisheries whereby water bodies are auctioned by the Sindh government to private contractors. Deep-sea trawlers owned by big national/multi-national businesses over-exploit and pollute marine resources leaving little catch for local fishers within 12 to 35 nautical miles.

Labour Force Statistics

The labour force data are pivotal for development planning and for analysis of economy and labour. The Pakistan Labour Force Survey, carried out on annual basis since 1963 by the Federal Bureau of Statistics (FBS), has improved its methodology, concepts and definitions to provide detailed and credible information on labour force characteristic. In the Labour Force Survey 1990-91 a new definition was adopted for identifying females (of age ten years and over) as employed if they engaged in any of the 14 agricultural and non-agricultural activities listed in the Intentional Standard Industrial Classification (ISIC).¹⁴ The category of 'informal sector' was introduced in 1996-97 LFS, and of occupational health and safety in 2001-02.

In 2005 the methodology of the survey was reviewed and revised with the technical assistance of the ILO to feed into the Labour Market Information and Analysis system the government is putting in place. The LFS 2005-06 was

done on a quarterly basis for the first time. In the process was lost the yearly survey of 2004-05 which was not published by the Federal Bureau of Statistics (during the last 43 years it has published 25 annual surveys). The quarterly surveys, started from July 2005, were shared through the official website. The Labour Force Survey 2005-06, published by the end of 2006, indicates better gender sensitive reporting.

An omission in the LFS is disaggregated data of the sub-sectors (agriculture, forestry, hunting and fishing) lumped together. Data on labour force under 'Manufacturing' also needs to be disaggregated in major sectors on similar lines as economic growth is disaggregated in Pakistan Economic Surveys.

Conditions of Work and Employment: 2006

Conditions of freedom, equality, security and human dignity—the parameters set by the ILO—define decent and productive work. The 1973 Constitution states in Article 37 (C) that 'the state shall make provision for securing just and humane conditions of work'. Conditions of work and employment include minimum wages, employment contract, healthy environs and safe working conditions, adequate working hours, paid leaves, maternity leave, protection from income loss during sickness, disability and old-age, and facility for unionization. A number of national labour laws grant statutory rights related to conditions of work and employment.

The state of existing conditions of work and employment in the year 2006 needs to be viewed in the context of exclusion of a vast majority of workers, including workers in agriculture, fisheries and forestry, from statutory rights through IRO 2002 and non-implementation, and violation of rights by employers and establishments of those workers who are covered by laws.

Conditions of Work and Employment in Agriculture

Research and data constraints in agriculture, dearth of civil society organizations engaged in research and documentation in rural areas, and limited media coverage—indicating an urban bias—make it difficult to determine the magnitude and scope of issues, other than that of debt bondage, faced by agricultural workers (see *Chapter 6 for details*). It is through broader national indicators, few independent researches, and voices of resistance raised by grass-roots

movements and organizations that a picture emerges regarding conditions of work and employment in the sector.

Deprived of social protection, benefits and rights—particularly the rights of freedom of association and the right to organize and collectively bargain with the employers—through exclusion from the scope of national labour laws, and faced with lack of, or limited access to assets (land, water, credit, education, information), workers in agriculture are the most vulnerable and the poorest of the labour force.

Working hours are usually long, ranging between 12 to 16 hours. Wages are low and erratic due to uncertainty of crop success or failure. Workers are often exposed to harsh climatic conditions and lack of access to protective gear. Hazardous chemicals, especially pesticides, pose a number of health risks, i.e. eye infections, skin and respiratory diseases and kidney problems. A massive increase in the use of pesticides, particularly in cotton crops, has been reported in recent years. Occupational, accidental, and suicidal poisoning from organophosphate, the most commonly used pesticide in

Human Development Indicators

Pakistan, the sixth most populous country in the world with 153.45 million people, is ranked by the World Bank as a low-income economy with \$600 per capita gross national income (equivalent to Rs. 3,000 per month). Literacy rate in 2005 stood at 53 per cent while infant mortality rate, mortality rate under 5 and maternal mortality rate were noted to be the highest among Asian countries. Almost half of the population—46 per cent—remained without access to improved sanitation, while 20 per cent were malnourished and 10 percent had no access to safe drinking water. In 2005, the shortfall in housing, or adequate shelter, was estimated at 6.19 million housing units.

The low human development indicators related to very low spending on key social sectors. In the year 2004-05, the government spent 1.74 percent of the current expenditure on education, 0.46 on health, 0.12 on housing and 0.07 on social protection. In contrast, 27.67 per cent was spent on defense affairs and services while debt servicing, loan repayments and administration of executive, legislative and public services took up the largest share—60.48 per cent—of budgetary expenses.

Pakistan, are consistently reported in medical journals. These problems are compounded by poverty: living conditions are often poor, and agricultural workers have limited access to clean water and sanitation, fuel and power, adequate shelter and nutrition.

Variation in the modes of payment (sharecropping, cash and share, daily cash wage, annual wage, piece rate in cash or kind), absence of standard wage levels, non-existence of legislative mechanisms for redress, and lack of collective bargaining, make agricultural workers extremely vulnerable. The employers/landlords fix wages arbitrarily, generally at the lower side, delay payment and deduct wages in case of leave for sickness.

Variations in wages for different tasks have been documented in a 2002 survey of eight districts in Punjab¹⁵. Wages as share of crop was one-fourth for agricultural workers in Sheikhpura, one-sixth in Rahmi Yar Khan and one-eighth in Bahawalpur. Cotton pickers in Lodhran were paid Rs. 49 per 40 kg, while in Rahim Yar Khan, they were paid Rs. 57 for the same job. Almost sixty per cent of the workers reported full deduction of wages for sickness leave.

Conditions of Work and Employment in Non-Agricultural Sectors

As the case in agriculture, there is no institutional mechanism to keep a systematic and coordinated watch on the status of labour in urban-based non-agricultural sectors. The number of citizen sector support organizations involved with labour issues is very limited. Trade union federations, due to external constraints and internal weaknesses, are unable to perform the task of umbrella watchdog, though they do

respond in times of crises. The trade unions, despite their decreasing numbers and strength, still play a vital role in highlighting the conditions of work and employment, and violation of labour laws happening in urban areas. The print media is an important source of information on the status of workers, its inadequate coverage notwithstanding. (See Box)

The following assessment of conditions of work and employment is based on;

- small surveys, rapid assessments and sector profiles (transport, light engineering, construction and textile) undertaken by PILER in 2005 and in recent years;
- national conventions of workers in the textile, brick kilns, transport, construction and light engineering sectors organized by PILER;
- information sharing by workers' representatives, trade unionists, social activists during seminars, training workshops and consultative meetings organized by PILER;
- brief reports on work places submitted by workers' representatives to PILER newsletter *Mazdoor Huqooq*;
- PILER's field staff members' interaction with workers' representatives at the Child and Labour Rights Centres (four in Karachi—Regal Chowk Saddar, New Karachi, Metroville, SITE—and one in Lahore), established by PILER in 2004;
- Help sought by workers and trade unionists through the Labour Rights Helpline services established by PILER at the Regal Chowk, Saddar, CLRC office in 2005-06.

An important factor in the PILER's assessment gleaned from the above sources is that the overwhelming majority of the workers who come in to contact with PILER have either some form of unionization in their workplaces or they are in the process of organizing co-workers and struggling for statutory rights. Situation is considered to be worse at places where workers are not even aware of the existence of core labour rights, including the right to unionize.

Contract Employees in the Public Sector

Thousands of contract workers employed in the public sector were denied the 15 per cent raise in salaries announced by the federal government in July 2006. Majority of these workers are Grade-IV employees. In NWFP province alone there were 32,000 contract employees who were deprived of the raise. Representatives of All Pakistan Clerks' Association, United Municipal Workers' Union and the Coordination Council of the NWFP Secretariat Employees' Association pointed out to the media that most of these workers receive a fixed salary of Rs. 3500 with no other benefits and no payment for overtime.

Employment Contract

The vast majority of workers in the informal sector (home-based, small-scale manufacturing, services, transport sectors) and significant proportion of workers in the formal sector in local registered factories, global retailers' factories, and shops and establishments, are not provided written contract of the terms of employment and

ILO Conventions Related to Agriculture

- C 11** Right of Association (Agriculture) Convention, 1921
- C 12** Workmen's Compensation (Agriculture) Convention, 1921
- C 25** Sickness Insurance (Agriculture) Convention, 1927
- C 38** (Shelved) Invalidity Insurance (Agriculture) Convention, 1933
- C 40** (Shelved) Survivors' Insurance (Agriculture) Convention, 1933
- C 99** Minimum Wage Fixing Machinery (Agriculture) Conventions, 1951
- C 101** Holidays with Pay (Agriculture) Convention, 1952
- C 145** Rural Workers' Organisation Convention, 1975
- C 184** Safety and Health in Agriculture Convention, 2001

Of the nine ILO Conventions on agriculture, Pakistan ratified the Right of Association (Agriculture) Convention 1921. The ratification date on the ILO website (<http://www.ilo.org/ilolex/english>) is 11 May 1923 when Pakistan did not exist

hired on verbal contract. These include daily wage, piece-rate workers and short-term contract workers hired on monthly wages. Denial of written contract deprives the worker to claim her or his due rights regarding wages and other benefits in case of cheating by the employer, gives rise to a sense of insecurity in the worker and establishes an unjust and inequitable relationship of oppressor and the oppressed between the two.

In 2005, the PILER research staff team investigated five factories in Karachi producing garments for global retailers. The study indicated that 91 percent of workers are not given appointment letters and all the workers were on contract basis¹⁶. A rapid assessment survey undertaken by PILER team in 2002 had showed 92 per cent of the workers in textile and garments, bleaching and dyeing and light engineering sectors were not provided the written contract. About 40 per cent were employed through contractors and 29 per cent worked on daily wages.

Only 8 per cent had signed some kind of contracts with the employers¹⁷.

The increasing trend of hiring on verbal contract on short term basis was corroborated by workers' and trade unions' representatives in the national conventions of workers in the textile, light engineering, transport, and constructions sectors, in workers' seminars and training workshops organized by PILER in 2005 and 2006.

According to the reports submitted by workers' representatives for PILER's newsletters in 2005, small and large factories (number of workers ranging from 50 to 1200) that hire on contract basis included Coca-Cola Beverages, SITE, Karachi, National Foods Industries (Pvt. Ltd), SITE, Karachi, Arsalan Foods, F.B.Area Industrial Zone, Karachi, Triple M (Pvt. Ltd) Industrial Area Township, Lahore, Fauji Sugar Mills Khosky (now owned by Dewan Group), Textile Fort, Korangi Industrial Area, Karachi.

Contract Work

The existing labour laws contain provisions that provide protection to contract labour. However, these provisions are easily violated by employers through taking refuge in the provision of section 2 (f) (iv) of the West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance 1968 under which the 'establishment of a contractor' has been declared as independent establishment, thus making it easier for both principal employer as well as contractor to escape the sanction of law. The contract system keeps the owner indemnified against any violation or non-observance of labour laws. The contractor does not notify his fixed address, hence does not feel obliged to be answerable to any authority.

A study of 20 industrial units in Lahore, conducted in 2005, showed that none of the units had formal office of the contractor in its premises¹⁸. In the sample, 65 percent of workers were found to be hired on contract. The contract workers were being paid half the amount (Rs. 2,071) compared to the regular worker's salary (Rs.4,323), worked for 12 hours a day and were denied weekly and other statutory holidays.

Minimum Wages

The minimum wage for unskilled workers was raised from Rs. 3000 (set in 2005) to Rs. 4000 in July 2006. With the official poverty line (minimum 2350 calorie per adult per day) at Rs. 878.64 per person, a household comprising

Retrenchment in the Banking Sector

"More than 41,000 bank employees have been rendered jobless due to privatization and the subsequent closure of 1,800 branches of different banks in the country since 1998.

Besides financing the black marketing, property accumulation in the hands of the elites, windfall gains by the speculators in the stock exchange, the banks had transferred more than 700 billion of their depositors' money to the exploiters. Rs. 93 billion profit earned by the banks in 2006 and the profit earned earlier had not been shared with the depositors."

Dr. Shahid Hassan Siddiqui, Chairman Research Institute of Islamic banking and Finance.

average family size of 6.8 members (2.06 earning members) needed Rs. 5,975 per month just to meet food expenditure, i.e. stay above the poverty line. Even if two earning members are bringing in a combined minimum wages of Rs. 8000, it would leave very little to spend on housing, clothing, transport, education and health of 7 persons. Minimum wage of Rs. 4000 has been termed inadequate to help uplift 36.45¹⁹ million people out of poverty.

If fully implemented, periodic minimum wage increases benefit disadvantaged workers, help reduce exploitation and help reverse the trend of declining real wages for low-wage workers. Non-implementation of minimum wages, combined with high level of unemployment and underemployment, is one of the factors behind high level of poverty.

The trend in real wage levels has been characterized by two factors: declining wage ratio and widening of wage differentials. The gap between wages of low-income and high-income groups widened further in 2005-06. This was due to above-average uptrend in wages in the upper wage groups and also from a massive expansion of low-wage sector. In the corporate sector, civil services, army, and multi-nationals a monthly package for Rs. 100,000 is standard for professional and managerial staff, in stark contrast with the minimum wage of Rs. 4000 for unskilled worker.

Due to poor implementation mechanisms, a significant number of vulnerable workers did not get the statutory minimum wage of Rs. 4000 per month. Many continued receiving Rs. 2500 and in certain sectors and regions workers employed on contract basis in industrial units and establishments received a monthly wage between Rs. 1800 to Rs. 2000.

The daily wage rates for unskilled/semi-skilled workers in the informal sector varied from Rs. 70 to Rs. 150 in 2005-06. Wage differentials by sex and region were most pronounced for women in semi-urban and rural areas. For instance, women working in cosmetic factories in Swat were paid Rs. 70 per day²⁰. In the National Foods factory located in SITE, Karachi, the workers were getting Rs. 110 daily wage²¹. In the construction sector, the contract workers employed at the Attock Cement Factory were paid at the rate of Rs. 100- 125 per day²² while the daily wages in the engineering sector were relatively better, i.e., Razzaq Steel Pvt. Ltd, a steel re-rolling mill, was paying a daily rate of Rs. 160 to Rs. 200 to its workers²³.

The level of wage is the sole determinant whether the workers can live a life of dignity or not, that is, the wages are enough to pay for basic food, housing, education, medical and other necessary expenses. The statutory minimum wage aims to protect low-skilled workers from exploitation and poverty. However, due to lack of implementation of the minimum wage law, a significant number of workers in the informal sector were reported to be getting less than the minimum wage.

The raise in the minimum wage in 2006 was announced for the fourth time in 37 years since the minimum wage floor was fixed at Rs. 140 per month under the West Pakistan Minimum Wages for Unskilled Workers Ordinance 1969. The legislation was necessitated because the first-ever related legislation, the Minimum Wage Ordinance 1961, did not define subsistence wage for unskilled workers. The minimum wage was raised after 24 years to Rs. 1500 through an amendment in the Act in 1993, a legislation disapproved by employers and challenged by few in the court on various grounds. The 2005 raise was also criticized by employers who regarded Rs.3000 wage on the higher side and its application to establishments with less than 50 workers a harsh measure impacting negatively on productivity, a rather baseless assumption as according to the Census of

Manufacturing Industries 1995-96, labour cost accounted for 7 per cent of the total cost of production.

The Labour Protection Policy 2005 proposed to establish a National Wage Commission to review '...but not necessarily adjust' the minimum wage annually, and to set monthly, daily and hourly minimums to provide protection for piece-rate and daily wage workers.

Delayed Payment of Wages

A significant number of establishments and employers do not pay workers' wages on time, causing immense hardship to workers and their families to meet daily survival needs. Most of the workers have little or no assets or savings to tide over days and months when their due wages are held by the employers. The workers find themselves trapped in undignified and demoralizing situation and have to request for petty loans from friends and neighbours and the neighbourhood grocery shops' owners. The practice of delayed payment is rampant in small and medium-size establishments in the informal sector but is also being reported in increasing numbers in registered establishments in the formal sector. The right to receive timely payment of wages is ensured under the Payment of Wages Act 1936, applicable to all factories and industrial and commercial establishments.

Working Time, Overtime, Holidays and Leaves

The recent amendments in labour laws, brought about vide Finance Act 2006, have set the ball rolling for further and speedy deterioration in work conditions. The amendments in Sections 6,8,9 and 10 of the West Pakistan Shops and Establishments Ordinance, 1969, will impact a significantly large number of workers employed in shops, and commercial, industrial and other establishments. Overtime work hours have been increased from 150 to 624 hours for adults and from 100 to 468 hours in a year. The provision of double rate of wages for over time ceases to apply on contract workers and the compulsory closed weekly holiday has been abolished. Now the employers can order the worker to work full day on any day of the week, including Sundays and Fridays.

Previously under the Factories Act 1943, women workers were not allowed to work late hours, i.e. after sunset and before sunrise as it may cause hardship to them in view of their caring and nurturing responsibilities. The amendment in section 45 of the Factories Act 1943 nullifies this provision by insertion of a new proviso that make women's night shift conditional on the provision of transport by the employers.

The draft Labour Protection Policy 2005 had



already provided justification for these changes through introducing the 'principle of bilateralism' under which 'collective agreements' can be made to enhance working time and over time, on the ground of achieving increased productivity and "... tight deadlines imposed by buyers and the need to accommodate rush orders."²⁴

These laws earlier stipulated that the working time must not increase from 48 hours per week,

or 8 hour per day and the worker was to be provided at least one day off in each seven-day period. Overtime, which must be always voluntary, was not allowed to exceed 12 hour per week, and was to be paid at twice the normal rate and three times their ordinary rate on festival holidays.

The situation regarding unlawful working hours and over time has been steadily deteriorating since 1990s due to non-existent implementation

Labour Laws Violations in Hattar Industrial Estate

Mohammad Sadaqat

Tariq Mehmood and his fourteen co-workers of an oil and ghee manufacturing unit, Waheed Hafeez Oil Mills, were sacked in August 2005 when they ventured to press for raise in wages, which the government had revised upward to Rs 3000 as minimum wage for unskilled worker with retrospective effect from January 2005.

The service tenure of terminated workers, according to their complaint lodged with Authority under Payment of Wages Haripur, ranged between 2 to 7 years, but the factory administration not only declined to own them as workers of their unit but also denied them of pecuniary benefits of mandatory notice pay, earned leave pay, gratuity, bonus and overtime they were entitled to under the labour laws.

Sacking of industrial workers is an exercise most common in the manufacturing sector, but the way they are deprived of their legal rights and disowned by the entrepreneurs at litigation stage is a case in point of how the majority of workers are exposed to vulnerabilities.

At Hattar Industrial Estate, Haripur, NWFP, violation of labour laws is rampant. The workforce is made to work under deplorable conditions. Workers hired to keep the wheel of production in motion are deliberately kept unregistered to deprive them of rights they are entitled to during and after the service like minimum wages, earned leave, paid holidays, safe working conditions, compensa-

tion, Employees Social Security (ESS) and EOBI cover.

The reason behind keeping the majority workforce unregistered is that under the Social Security Ordinance 1965 a person who has worked for three months regularly at a place is entitled to avail all the facilities and '...shall be considered as permanent employed' and completion of his/her documentation and registration with ESS and labor department is imperative. After registration 7 per cent of the total salary of a worker not exceeding Rs 5000 is deducted under the Employees Social Security Fund monthly and the management is bound to deposit the deducted amount with Social Security department.

The relevant labor laws also entitle a registered worker for complete medical cover, 120 days sick leave per annum with 75 per cent of pay and when a worker is injured during the work, s/he can avail 180 days leave with 100 per cent pay while a worker having contracted terminal diseases like TB, cancer, or partial disability, can enjoy 365 days leave with 100 per cent salary.

Sections 13 to 31 of the Factories Act 1934 defines clearly that how safe and trouble free the manufacturing process should be for a worker and secured against the hazards s/he could face during work. Similarly, sections 33B to 33N of the Factories Act further define the precautionary measures for making the health and life of a worker secured

mechanisms ensuring legal rights. By December 2005, the percentage of workers putting in more than 48 hours per week had swelled to 46.69 per cent of the total work force²⁵. A working day ranging from 9 to 12 hours is a norm in most of the factories, commercial and industrial establishments, and services and retailers shops. In power loom factories in Faisalabad, workers have to put in 12 hours of labour every day, and in case of rush of demand, workers are forced to work 24 hours. In the glob-

al retail garment factories surveyed by PILER in 2005, 45 per cent workers were denied overtime payment. In many factories and establishments, overtime is not paid at the statutory rate (i.e. F.T. Hoisery Garments, SITE, Omar Textile Mills, SITE, Karachi, cotton ginning factories, Tando Allahyar), and payment is unlawfully deducted for sick and casual leaves. In the global retail factories 40 per cent of the workers were denied the right to earned leave.

against imminent threats.

Data collected from the office of Sarhad Development Authority (SDA) Hattar suggest that the Estate has a capacity to house 355 units in total while at present there are 147 units operational, 85 closed, 80 under construction and 25 plots are vacant. The running units included textile, steel, food industries, oil and ghee, chemical, marble factories, mineral, pharmaceutical, electronics, ceramics and other units. These units, according to official record of the Deputy Director Labour Hazara division, have a total workforce of 11,894 (10,394 male and 1,500 registered women).

However, Lala Ehsan Qureshi, chairman Hazara Labour Federation believes that about 3000 male and 1000 women workers at HIE alone are still unregistered either with Social Security or Labor department, chiefly because most of the male workers are put on evening shifts permanently and the service record of women is not maintained. He believes that the actual number of workers is 15000 plus male and 3000 plus female.

Industrialists at HIE, according to Syed Mazar Ali Shah, president District Labour Rights Committee, (a Haripur based non-governmental organization), conceal actual strength of their workforce not only to evade taxes and monthly deductions they are supposed to deposit with government departments particularly EOBI and ESS, but also keep them underpaid and deprived of their right of compensation in case of disability or death. He held the labour department responsible for this state of affairs and

accused Labour Inspectors of giving free hand to industrialists against monthly graft.

Another loss to an unregistered industrial worker is that the injured worker or legal heirs of a deceased worker have to go through lengthy litigation for compensation as the industrialists, in most of cases, refuse to acknowledge legal rights of the affected worker. Accidents involving either death or serious injuries often go unnoticed and hushed up in connivance with officials of Labour department.

In such cases, according to Mian Zahoor-ul-Haq, former general secretary Employees and Workers Union, Telephone Industries of Pakistan Haripur, the victims face problem in getting their legal rights of group insurance, social security, death grant, compensation under Worker Welfare Fund and other pension rights for which they are entitled to. He said that the affected workers and their heirs having some knowledge about their rights are made to compromise on half or even less than half of the total compensation the workers is entitled to legally.

Data collected from the office of Commissioner Workman Compensation Hazara Division show that 12 fatal accidents involving death, 6 serious injuries to workers, rendering them partially disabled while 6 accidents involving minor injuries were reported during January to December 2004.

According to official record 36 cases of compensation (including 12 pending cases of year 2003) were decided by the

Forcing workers to put in labour on festivals and national holidays is not uncommon either. Shani Weaving Industry, SITE, Karachi, closed its gate to workers who did not come to work on 14th August 2006 and stationed police mobile vans outside the factory to harass the workers. The employers sacked those workers who had national identity cards and factory cards and reinstated those workers who had none of these cards. The workers approached the Labour Councilor and Naib Nazim of the respective union council who talked to the employers. The employers refused to reinstate the workers or make due settlement. Only 19 workers filed the case against the employer in the Labour Court No. 3 which is pending now. The remaining workers were afraid to take any legal action.

Maternity Benefits, Child Support at Work Place, Separate Toilet Facility for Women

The right to three-month paid leave during preg-

nancy and child birth is granted to every woman working in any factory or industrial and commercial establishment under the West Pakistan Maternity Benefit Ordinance 1958 and the Provincial Employees' Social Security Ordinance 1965. The woman is entitled to maternity benefit (under 1958 Ordinance) if she has worked '...for a period of not less than four months immediately preceding the day on which she is delivered of a child.' This right is flagrantly violated by majority of establishments and factories. The vast majority of the women workers occupy least empowered position at work place as contract, piece-rate, non-unionized workers in low-paid, low-skilled job in an over all disabling environment characterized with constraints to access education, skills, and information on labour rights. The practice of rejecting married women of child bearing age for employment is rampant in factories and establishments which prefer young, unmarried female workers to avoid the situation where the question of maternity benefits may arise.

Commissioner Workman Compensation during January to December 2004 out of which 34 claimants were paid Rs 7.35 millions.

In the year 2005 a total of 27 claims were filed with Commissioner Workman Compensation Hazara for compensation to the workers 14 of whom had died during duty hours and 13 received injuries. Of these claims, 22 were decided in favour of affected workers and their families were paid Rs 3.91m compensation while five were still pending.

During 2005, 65 cases were filed against industrialists under the Standing Order Ordinance 1968 with Authority under Payment of Wages (APW). The employers sacked these workers without paying them cash leave, notice pay, gratuity and other allowances. The Authority decided a total of 69 cases during this year which included 65 new cases (year 2005) while four pending from the year 2004, and ordered the industrialists to pay Rs 5.89 million to the workers. All the industrialists moved to the next higher forum of Labour Court and filed appeals against the decision of APW.

Similarly, during the same year (2005) the Labour Inspectors referred 502 cases of violation of occupational safety and health rules, issuance of hygiene cards, vaccination against seasonal diseases, maintenance of record of workers' pay, allowances and display of holidays, to the Labour Court under the Factories Act 1934. Of these, 204 cases related to violation of Minimum Wages Act, and 358 cases were violation of the Standing Order Ordinance 1968 that requires registration and issuance of letters of appointment to workers against different industrial units of HIE.

Total 56 cases of general category, which included appeals against the decisions of Authority under Payment of Wages, Commissioner Workman Compensation, outstanding dues of workers, litigation under Industrial Relations Ordinance (i.e. formation of unions and holding of elections) were filed with the Presiding Officer Labour Court Haripur during Jan to December 2005 and the court decided 127 (71 cases from previous year's pendency).

In the category of summary trial i.e. the cases referred to Labour Inspector, i.e. viola-

The ILO Maternity Protection Convention 2000 (No.183) that outlines statutory entitlements in four areas—maternity and related types of leave, cash benefits, health protection measures and protection from discrimination on grounds of maternity—is not ratified by Pakistan.

The draft Labour Protection Policy 2005 indicates that the government is pondering to strike off maternity benefits from the Factories Act 1934. The Draft states: 'The government is of the view that the payment of wage equivalents during the period of leave should remain the responsibility of the social security system, and not the responsibility of the individual employer'¹²⁶.

The right of working women to breastfeed infants up to six months is not recognized specifically by the existing labour code. However, the Factories Act 1934, the law does give authority to provincial governments to make rules for

'Rooms for Children', stipulating that a suitable room be provided in the work premises where more than 50 women are employed '...for the use of children under the age of six years belonging to such women..'. Firstly, the limit of 50 women excludes the prevalent small units. Secondly, the provincial governments have not devised rules or legislation for the provision of childcare support and access to infants during working hours.

The Factories Act 1934 stipulates the provision of separate toilets for women. However most of the factories and workplace violate the law and have no provision of separate toilets. The implications of the absence of this basic facility are grave on women's health. Most of the women in such a situation altogether avoid using the mixed-sex toilet facility and develop stomach, kidney and urinary-tract related illnesses. In the PILER survey undertaken in Karachi²⁷, 72 per cent workers had reported the absence of separate toilet facilities.

tion of weight and measure, Standing Order Ordinance, Factories Act and Minimum Wage Act, there were 1,968 cases, out of which 1,540 were decided and 428 were at the trial stage by the end 2005.

Commenting on the state of implementation of labour laws at HIE, Sheikh Javed, an advocate, attributed the violation of labour laws to the ban on labour unions, adding that since the industrialists consider unions as their worst enemies they do not allow the workers to be united at a platform and the workers trying to form unions are dismissed from service.

About issuing letter of appointment, Sheikh Javed said that workers are sacked two days before the completion of 90 days of their service to avoid the law and are called back again after five to seven days, whereby the workers are issued new contracts.

He also contested the figures of total registered workforce at HIE adding that the Labour and ESS departments have the same old figures provided to them by industrialists at the time of registration of their units under the Factories Act 1934. Factually the strength of workers could be

more than that of projected figures, he said.

Paltry amount of fine, according of Labour Inspector Abdullah Khan, is another obstacle in the way of taking an errant industrialist to task. He said that for violation of Standing Order Ordinance the court has the limit to fine an industrialist not more than Rs 500 while for violation of the Factories Act the limit is Rs 100.

He admitted that violation of Minimum Wages Act and Factories Act is frequent at HIE, but said that unless workers cooperate with the Labour Department and come up with cogent evidence of violation of labour laws, a violator would go scot free. "It's the duty of a worker to tell honestly about the working conditions s/he is exposed to", he said.

There are 11 industrial zones in NWFP-Hattar, Abbottabad, Gadoon, Amangarh, Hayat Abad, Mardan, Banu, Swat, Dera Ismail Khan, Kohat and Akora Khatak. Of them, Haripur and Hayat Abad are the biggest industrial zones of the province. The total registered industrial workforce (male-female) in NWFP is estimated to be 59,200.



Occupational Health and Safety

The majority of work places operating in the informal sector, and a significant number of establishments in the formal sector, are characterized by overcrowding, lack of ventilation, poor lightening, inappropriate and harsh room tem-

perature, lack of toilet facilities and rest rooms, and non-availability of safe drinking water. In addition to poor environs and inadequate basic facilities impacting adversely on workers' well being and health, the work places are too often devoid of systems to protect workers from harm-

Labour and the Print Media

Zubeida Mustafa

With the corporate-driven marketplace being the salient feature of the national economy, labour issues are not quite the favourite of the print media. Understandably it is the capitalists', the industrialists' and the employers' perspective that get the limelight. But newspapers thrive on sensationalism. Since some areas of the labour sector traditionally provide human interest stories that attract lay persons, this subject is not altogether squeezed out of the newspapers. For this reason child labour and bonded labour figure quite prominently in the English language press. The trend is to report the happenings that occur in the world of labour quite faithfully. In other words, what one gets to read is a cut and dry reportage of what took place on the occasion being written about. Most news items take the form of statements by labour leaders, policy makers and employers/proprietors on issues affecting the workers. These help to bring into focus the major issues of the day.

In 2006, the privatisation process (Pakistan Steel Mills case), social protection and pension reforms, demand for the repeal of the IRO-2002, retrenchment due to privatisation of public sector concerns (PTCL, Habib Bank), and the ban on teachers' associations and the court judgment against it were the main issues covered by the print media. Child labour, bonded labour, migration of labour and brain drain, employment market, wages, social benefits, industrial hazards, trade unions and workers' welfare and skill development were other issues that figured in the media.

What is noticeable—and betrays a lack of media interest in labour issues— is the absence of investigative reporting on major problems affecting labour in Pakistan. If an

important event takes place that has an impact on the labour sector, or statements are made by leaders that have a direct bearing on labour, or workers stage protest rallies, these are duly reported by the newspapers and news magazines. But these are on-the-spot reports that inform the readers about an event but do not educate them. Not being analytical, the reports do not probe into the dynamics of the events that are reported. The readers do not learn much about behind-the-scenes happenings. Hence the why and wherefore go largely unreported.

If the newspapers manage to educate the readers in some measure on labour issues it is in the form of articles that are published occasionally. Coming from experts on labour issues or based on reports published by institutions dealing with labour questions and interviews with people directly involved with labour problems, these articles are enlightening and instructive. But unfortunately there are not too many of them.

In the six English language publications (the four dailies, Dawn, The News, The Nation, Business Recorder, and two monthly news magazines, Newsline and Herald) of the year 2005 and 2006 surveyed for this report, only 137 articles were published on labour issues (71 in 2005 and 66 in 2006), which come to an average of five articles per month by each newspaper—not a very impressive record. But these were valuable for the readers—at least a few—because in the absence of investigative reporting the articles/features were the only form of writing that gave some understanding of the issues involved. Not all articles were of a high standard—some being simply brief human interest stories that do serve the purpose of drawing the reader's attention to a problem. But they do not

ful effects of production processes and prevent occupational accidents and injuries.

The right to healthy and safe working environment in different sectors is granted to workers under various laws. The Factories Act 1934,

Punjab Factories Rules 1978, Sindh Factories Rules 1975, West Pakistan Hazardous Occupations Rules 1963, Mines Act 1923, and Provincial Employees Social Security (Occupational Diseases) Regulations 1967, are some of the related laws. The Commission for

explain much and are not analytical at all. Neither do they give any historical insight into a problem. The News published 24 articles/features on labour issues of any significance in 2005 and 18 in 2006 followed by Dawn with a tally of 18 in 2005 and 38 in 2006 in Dawn.

Another aspect that betrayed a lack of media interest in labour issues was the very small number of editorials written on them. The six newspapers surveyed cumulatively wrote only 24 editorials on labour issues in 2005 and 23 in 2006, with Dawn showing the greatest concern. It carried sixteen editorials on this subject while the Business Recorder commented editorially on labour issues only fifteen times during the course of the year. This was not unexpected because newspapers comment editorially on issues which are of special interest to them. An issue which receives minimal coverage cannot expect to receive extensive editorial comments either.

What was a cause for serious concern was that many of the issues addressed in the print media were not analysed from the labour's point of view. Thus privatisation of the utilities was a topic that received plenty of coverage. A lot was written about the impact of this measure on the economy, the quality of the services provided, the cost factor, the danger of monopolisation and so on. But no writer went into the details of how privatisation of a concern would affect the worker, his wages, terms of service and so on.

When seen against the backdrop of the national economy and the boom in advertising that proved to be a boon for the economic health of the media—both electronic and print—one can understand the lack of interest in labour issues. With the corporate sector dominating every field of life it was not

surprising that labour issues went by default. This was most conspicuous in the two English language monthly news magazines published from Karachi. Herald only wrote on the human trafficking issue. The Newline covered the sale of the PTCL but again it did not focus on its impact on labour. This is very significant and speaks a lot about what interests the media and what is not considered to be so newsworthy. These two magazines that have made a name for themselves in the field of investigative reporting did not deem labour issues to be deserving of an in-depth probe.

Another major factor that accounted for this lack of media attention was the stagnation in the labour movement. At a time when the WTO has enabled the industrialised countries to gain the upper hand not just in the international economic order which they always controlled but also the domestic economies of Third World countries which fell increasingly under the sway of the developed states, it is not surprising that in this scheme of things trade unions and labour have no place. The retrenchment of workers, golden handshakes, clampdowns on trade unions and the low profile adopted by labour leaders is in sharp contrast to the hey days of the labour movement in Pakistan of the nineteen seventies.

Hence unsurprisingly the fact is that labour comes low in the list of priorities of the government and as is the wont of the mainstream media as well. Newspapers after all take their cue from the trends in society, governance and the national economy. In Pakistan the emphasis has been on capital rather than labour. Enterprises and profits have received more importance than workers and their welfare. In this environment, the print media has little space for labour issues.

Consolidation, Simplification and Rationalization of Labour Laws (now defunct) had proposed to put together all related laws under one comprehensive law. The Draft Occupational Safety and Health Ordinance 2000 was prepared but no further development had taken place by the end of 2006.

Occupational health and safety conditions for majority of workers have deteriorated over the years. De-centralisation of production into smaller units excluded from labour laws, increasing market competition and pro-capital policies are leading to cost-cutting tactics at the expense of labour which translates in to lack of safety systems and increased risks and incidents of diseases and injuries at work places. Lack of awareness of health and safety measures and preventive culture and its long term positive impact on production on both among workers and small entrepreneurs/employers make the

situation worse. In medium-sized units, conditions are not any better because the employers evade implementation of related laws and discourage and weaken unionization. Even large production units in the country often do not have adequate occupational health and safety management systems in place.

The official data on occupational safety and health, compiled on the bases of accidents reported to the provincial Directorates of Labour by the employers, is not only miniscule—as it exclude majority of workers—but gives an incomplete picture for it covers accidents but provides no clue on occupational diseases. The latest available data indicates that of the total 10,518 factories registered under the Factories Act 1934 in the year 2002, the number of factories that reported accidents were only 1,680²⁸. The number of factories reporting on accidents is declining steadily. From 30.58 per cent in 1993,

Workers in the Gadoon Amazai Industrial Estate

Muqaddam Khan

The Gadoon Amazai Industrial Estate, NWFP, was established in 1987-88 with the huge funding of USAID mainly to provide alternative source of livelihood to the former poppy-cultivators and discourage poppy cultivation in the Gadoon belt. Poppy was a lucrative crop for the locals who traditionally made sufficient profits by supplying the opium products to the manufactures of heroin.

A total of 450 units were set up in the Gadoon Estate with generous incentives to the investors in 1989. However, the incentives were taken away by the government in 1991 which triggered the decline of the Gadoon Estates and led to shut down of the units.

In 2006, only 45 units were operational, 25 working round the clock, while 20 operating for three/four days in a week. According to an estimate, about 25,000 workers are employed in these units. Majority of them work in an exploitative environment as there is hardly any authority to keep a check on employers. The workers are forced to work for 12 hours a day, overtime is not paid at the stipulated rate, weekly off-days are denied and the workers are not covered by social security institutions such as EOBI and ESS. Majority of the workers get Rs

2500 to Rs 3000 per month, or Rs. 70 to Rs. 80 per day. The increase in the minimum wage announced by the government is not implemented.

The workers are not allowed to form unions and in case attempt to form a union, those leading the move are immediately sacked. In case a group of workers succeeds in forming a union, its leaders are bribed and prevented to bargain for workers' rights. The workers hardly get salaries on time and if anyone demands timely payment of wage he would invite his expulsion and a plain reply to stop working.

Many outsiders have occupied the accommodations in the labour colony of the Industrial Estate. The authorities concerned did not ask the usurpers to vacate the quarters. The office of the Assistant Labour was shifted to the district headquarter from Topi to make his office inaccessible to workers.

A total of 429 labour cases were settled by the Labour Court in year 2005 in the Gadoon Amazai Industrial Estate. Among these 414 were dealt by the Labour department and 15 by the Gadoon Labour Federation.

the figure of the registered factories reporting on accidents came down to 15.9 in 2002²⁹. This is indicative of an increasing trend among employers to hide information on incidents of occupational accidents and diseases.

The other official source, Pakistan Labour force Survey, which began reporting on occupational safety and health in 2001-02 annual survey, has omitted this information from its newly introduced quarterly surveys of 2005. Data from the previous annual surveys, however, indicate a decline in the reporting of occupational injury/diseases by the workers. The figure fell from 3.6 per cent workers who reported injuries/diseases in 2001-02 to 2.8 per cent in the 2003-04 Survey. The official data is the tip of the iceberg as it indicates occupational hazards only in the registered establishments in the formal sector.

The most hazardous occupation is agriculture where mechanized farming and pesticides use inflict grave harm on farm workers who work in the absence of protective measures. The Labour Force Survey 2003-04 showed 44.9 per cent of occupational injuries and diseases in agriculture. In the manufacturing 14.6 per cent and in the construction sector 10.7 percent workers reported work-related injuries and diseases.

Of the 2005-06 brief reports submitted by workers' representatives to PILER includes hazardous working conditions at a number of establishments in different sectors. The hazardous conditions range from low ceiling of work premises and cluttering of space due to conveyor belts and machineries forcing workers to move around with bent backs, lack of dust suction equipment in factories leading to inhalation of dangerous particles and causing respiratory problems in the construction and textile sector, and non-utilization of protective gears causing ocular trauma among lathe machinists in the engineering sectors.

Social Protection

Increasingly the international financial institutions have taken over the tasks of defining the state's social and economic responsibilities and also the strategies to address these. In 2005, the ADB consultants drafted the Labour Protection Policy 2005 based on the Pakistan Social Protection Strategy Development Study that the ADB had articulated a year earlier in 2004 for the Ministry of Labour, Manpower and Overseas Pakistanis, extorting it to exercise

"...some rationalization of the activities by social protection institutions... to reduce duplication, concentrate on highest priority areas..."³⁰.

The advise by the ADB to cut down activities and reduce coverage of social security contrasts with the evolution of the discourse on social protection by the ILO advocating an enhanced concept of social protection based on universal coverage to "...guarantee access to essential goods and services, promote active socio-economic security, and advance individual and social potentials for poverty reduction and sustainable development..."³¹.

Social protection refers to benefits that cover

Soccer Ball Stitchers of Sialkot

On 20 November 2006, Nike Inc. announced cancellation of orders for hand-stitched soccer balls from Sialkot-based Saga Sports on charges of labour compliance violations. Nike Inc. accused Saga Sports for getting the soccer balls hand stitched at homes raising the potential for the use of child labour and unsafe working conditions.

In addition, Nike's six-month long investigation had revealed workers' harassment, unlawful termination and inaccurate payment of wages by Saga Sports management.

Nike Inc. cancellation coincided with rising demand for machine-stitched soccer balls made in China and decreased demands for hand-sewn balls made only in Sialkot.

By the time Nike Inc took the decision to pull out, the Saga Sports had—3,500 permanent employees working at the main factory and 3,500 unregistered workers who stitched balls at the 13 Nike-authorized, monitorable stitching centers spread out at the fringe of the city.

While the unregistered, piece-rate stitchers lost work immediately, the management began to plan to lay off permanent workers in phases beginning from early January 2007.

both risk management and risk prevention, and is viewed as crucial tool to prevent deprivation (promote living standards) as well as vulnerability to deprivation (protect against falling living standards)³². In its parameters closer to the ILO concept of 'decent work', social protection embraces protection from deprivation of basic needs—and rights—for self and the family (food, health, shelter, education) and of economic needs (job, income, skill formation, access to capital and markets), expanded by the ILO under its Socio-Economic Security Programme into seven forms of work-related security³³.

The existing state mechanisms for social security provision (contribution-based social insurance schemes)—Employees' Social Security, Workers' Welfare Fund, Workers' Profit Participation Scheme, Compulsory Group Insurance Scheme, Employees' Old-Age Benefit Institution—are applicable only to the formal sector's permanent employees and have very low coverage even within the formally registered establishments. The amendment in the Employees Old Age Benefit Institution Act 1976, through the Finance Act 2006, has restricted its area of applicability, and thus of benefits to workers in future. With effect from July 2006, only the

Occupational Health & Safety: TB among Powerloom Workers

Zulfiqar Shah

Ashraf, 36, a labourer at a weaving factory in Faisalabad's Faizabad industrial area, is a chronic tuberculosis (TB) patient. With a frail body, he operates six powerlooms in a dusty environment. He was diagnosed with TB a few years ago and it has been two years that he completed the nine month treatment. Still, he is unwell.

"Doctors told me I have completed the TB treatment course but I don't think I am cured. I feel weak, tired and have cough," said Ashraf. As he spoke to this scribe, the noise of running looms made our conversation difficult and pollution made breathing hard. "Sometimes, I find blood in my sputum. I think I have got it again."

Ashraf's wife died a few months ago. He does not know what caused her death as she was never tested at any laboratory but had persistent fever, became weak day by day and finally died. Before her, Ashraf's sister also died of TB.

"I am not going to see the doctors again because I neither have time nor money," he said with obvious signs of helplessness on his face. He works 12 hours a day to earn a maximum of Rs 150 a day, an amount hardly enough for survival. "If I go to the hospital again, I may lose this job."

As we walk past a few steps in Faizabad, we

meet Mohammad Arshad, 27, another powerloom worker with a similar story. "I took medicines for months some two years ago but doctors say I still have the disease." In all probability, he did not take his medicines regularly and was not completely cured. The worst fear is that his TB may have turned to Multi Drug Resistant (MDR) type. But he is not visiting any doctor currently. "I want to go to the hospital but I don't find time. Every time I plan to go, I find some work because I work at night from 6 pm to 7 am," he said.

Except Ashraf and Arshad, none of the workers interviewed in Faizabad Industrial area have gone for any test or proper treatment of TB. "Our work routine and lack of money do not allow us to go to the hospital," said Abdul Ghafoor, 45. They also did not know whether or not there is any treatment or testing facility available at the government hospitals—and that too free of cost. Majority of the workers only knew of a homeopathic doctor who had set up a clinic in street No. 5 in the same area, and visited the doctor whenever they needed some medical help.

"Cough, difficulty in breathing and fever are the main health complaints of workers," said Dr. Asghar Ali who runs the homeopathic Faizan Clinic in the area. "I think 10 to 20 per cent of the workers are suffering from TB," said the doctor, who claims to be

establishments employing more than 20 persons are able to register with the EOBI. Previously smaller units, with 10 workers, were also entitled for the benefits. Through one of the amendments in the EOBI Act, the minimum amount of pension was raised from Rs. 1000 to 1300 per month.

The tax-financed social protection schemes for destitute (Zakat and Pakistan Bait-ul-Mal) have low coverage due to poor governance and exclusionary criteria. It is to be noted that the ILO Social Security (Minimum Standard) Convention 1952 (No. 102) that identifies nine areas of

social benefits—medical care as well as sickness, unemployment, old-age, employment injury, family, maternity, invalidity and survivors' benefits—remains one of the many ILO Conventions not ratified by Pakistan. The Constitution's proclamation (Article 38) to provide social security to all is yet to be translated in to reality.

During 2006, the coverage of the existing inadequate state welfare schemes, limited to a small select number of registered workers in the formal sector, shrank further with the amendment in the EOBI Act 1976. The numbers of workers excluded from statutory entitlements and bene-

a diploma holder in homeopathy. His claim is entirely based on his experience and patients' symptoms as he never suggested them to go for proper testing or TB treatment. "By going for tests they will spend more money, so I do not suggest them. I give them medicines and they are cured." Asghar Ali is unaware of any treatment including DOTS (Directly Observed Treatment Short Course) to fight TB.

There are 300,000 powerloom units in Faizabad alone, employing hundreds of thousands of workers. Powerloom workers are not only denied fair wages and official working hours, there is no system of occupational health and safety in place. The dust coming out of threads weaved at the looms directly affects the lungs of workers who do not wear mask or take any other precautionary measures to avoid this killing pollutant. They are paid on the basis of per metre fabric woven without any paid leave. They work throughout the week without any holiday. Poor diet coupled with harsh working conditions and polluted working environment make them more vulnerable to diseases like TB. Interviews reveal average working time as long as 12 hours for an average daily income between 150 to 200 rupees.

In Pakistan, according to National TB Control Programme, approximately 250,000 people contract TB every year and 75 per cent of them are in the age group of 15-54 years. Marginalised population, par-

ticularly workers, are the most affected as their diet is poor and they live and work in unhygienic conditions.

Working in the informal sectors, none of the workers we met in Faizabad is covered by whatever social security schemes are offered by the government; employers take no effort to help workers in case they get sick or face any other crisis.

"TB is common among powerloom workers," said Ansari, Secretary General of Labour Qaumi Movement (LQM), a leading trade union of powerloom workers in Faisalabad. "If tested, 70 per cent of the workers would turn out to be TB positive."

Unfortunately the government schemes and special initiatives do not target workers, he said. "Owners are only interested in getting their work done and government too is not bothered."

Diseases like TB are not only taking a heavy toll on the lives of individual workers but are affecting their meager incomes as well. Studies suggest that on an average, a worker affected by TB loses 3-4 months of work, resulting in potential losses of 20-30 per cent of annual household income. Pakistan declared TB a national emergency in 2001 and initiated the National TB Control Programme with huge international funding. Yet the most deserving like powerloom workers do not benefit from the programme.

fits—either through legislative/regulatory exclusion or poor governance/implementation mechanisms—increased significantly with the swelling of ranks in the informal sector and agriculture sector.

Of the three main benefits schemes for the workers, i.e., the Employees Old-Age Benefits Institution (age, disability and survivors pensions), the Employees Social Security Institutions (health services and some cash benefits) and the Workers' Welfare Fund (educational and health facilities), the EOBI's coverage is relatively better, though minuscule in the larger perspective.

The EOBI is currently financed through a levy of 6 per cent contribution from the employers (based on minimum gross wages of the workers) and one per cent of the minimum wage of the workers per month. Of the estimated current population of over 8 million of men and women of 60 years and older, EOBI was distributing benefits to around 254,000 men and women in mid 2006. In early 2005, the EOBI switched from Habib Bank Ltd to United Bank Ltd for disbursement of pension and collection of contributions. In September 2006, the EOBI again shifted its fund from the United Bank Ltd to the National Bank of Pakistan. This change has caused hardships to pensioners, particularly those who live in small towns and at the fringes of the cities where NBP branches do not exist.

Employees Social Security Institutions—financed through a levy of 7 per cent of the wages paid to workers who earn up to Rs. 5,000—cover less than 3 per cent of the total labour force in the organised sector. By September 2006, only 18,694 establishments, having 345,000 workers, were contributing to the scheme's fund.

The Workers' Welfare Fund has two sources of finance: a levy of 2 per cent on assessable income of industrial establishments and surplus amount from the Workers' Participation Fund. The contributions are collected by the Income Tax Department and remain static with the Finance Ministry which does not administer the Fund as mandated. According to a 2005 media report³⁵, there are 46,000 registered companies whose yearly 2 per cent contributions safely add up to Rs. 32 billion that never reaches the beneficiaries. The welfare schemes' funds are mostly swindled by corrupt officials, as noted by the 1996 Task Force on Pension Funds in its report.



The Social Protection Strategy ruled out coverage to agriculture workers—21.31 million workers in 2005—and also rejected the idea of any universal scheme without a contribution from beneficiaries. The Strategy recommended social health insurance scheme with premium paid by the beneficiaries—the informal sector workers, the poor and the unemployed. The catch is: the Universal Health Insurance Scheme would be for 'First Level Care' with an emphasis on immunizations, maternal and child healthcare, family planning, local control of endemic diseases, etc. These are the services that the government provide for, though inadequately, free of charge up till now. The scheme would be operationalized through augmenting the existing basic health-care facilities, utilizing Employees Social Security Institutions' networks of health services in the provinces and seeking NGOs' cooperation. The ADB consultants' recommendations do not include raising the abysmally low allocation (0.46 per cent of GDP in 2005) to health.



Unionization and Collective Bargaining

Due to disabling legislation and repressive practices, unionization is on decline and union activities, particularly collective bargaining, have become increasingly difficult. At present, according to an estimate, less than five per cent of the workers in the formal sector are unionized. Officially the formal sector accounts for only 30 per cent of the employment outside agriculture.

According to latest available data, over the years the number of registered unions has declined from a total of 1,635 in 1995 to 1,202 in 2002 and the membership has declined from 340,569 to 138,456 during this period.³⁶ The drop in the number of registered unions is most marked in textile, banking, municipalities and food sectors.

In 2006, exercise of union activity became increasingly difficult. There were reports of sub-

tle tactics by the state in the public sector to curb union activities—besides blatant outright ban in some cases—such as transfer of activists from one place to another, arrest and detention on various pretexts. In the private sector, dismissal from services for union activities was reported frequently by the workers. Employers also used the tactics of promoting workers active in unions to the posts of officer/manager without accruing due benefits solely to exclude them from unionization. The incidents against individual trade union workers went unreported in the media.

The trade unions in Karachi Shipyard and Engineering Works (KSEW) were banned by the Registrar of Trade Unions through an order dated 26 August 2006. The Sindh provincial government reportedly took this action at the behest of the federal minister of defence production.

Of the few Karachi cases that came to be reported to PILER included dismissal of 30 union representatives and workers of National Foods (Pvt.) Ltd. S.I.T.E.³⁷ The workers filed the case of unlawful dismissal in the Karachi Labour Court No. 2 on 18 June 2005. Two active union workers of Coca Cola Beverages Pakistan, SITE, Karachi, were dismissed on false charges. The workers reported that the company resorts to dismissals whenever the union presents its charter of demand to the management.³⁸ Fiftyfive workers of Fauzia Industries Pvt Ltd., a textile factory in Korangi Industrial Area, were dismissed from their services in October 2004 when they formed a union and registered it. In 2005, 37 of these workers challenged their dismissal in Karachi Labour Court No. 4.³⁹ In May 2005, 42 workers of Textile Fort (Pvt.) Ltd, Korangi Industrial Area, were dismissed by the employer when they formed a union and applied for its registration. The affected workers filed petition with the conciliator at the Labour Department. Similarly, the United Towels Exporters dismissed those workers who tried to form a union. The employers installed two police mobile vans outside the premises to intimidate and harass the workers.⁴⁰ Alpha Containers dismissed 225 workers on 19 January 2005 when they formed and registered their union. The workers were then approached by the management to sign individual contract if they wanted to be re-instated⁴¹. ■



Women in Labour Force

In Pakistan gender relations are characterized by a relationship of domination and subordination between men and women and maintained mainly through a strict sexual division of labour and demarcation of space into private and public domains restricting women's physical mobility. Gender inequality inhibits women's access to opportunities to enhance their basic capabilities such as education, health and skills. With lesser access to opportunities for quality education, women are not able to derive benefits from productive labour market and from technological advancement.

Lack of access to resources (i.e. property and credit) and deprivation of public goods (i.e. information and legal rights) increase women's vulnerability in both private and public sphere. Gender gap in skills required for the workplace in contemporary labour market is much higher than the gap in education. The problem is compounded with non-marketable and economically irrelevant education imparted at school and college levels. Females of all ages bear the burden of unpaid, unacknowledged care work, both reproductive and productive, in the private sphere. In public sphere, the majority of women works either as unpaid family labour in agriculture or hold low-paid, low-skill jobs at the lowest tier of industrial labour market. Women's inferior social and economic status renders them vulnerable to sexual harassment at workplace and in public sphere, and to domestic violence in private sphere.

Be it life time care work in the private domain or productive work in the public sphere, women do not get any long term returns on their labour due to the nature of their work (unpaid, low-paid, casual, informal). Social protection and economic security for majority of women workers, linked to the male member of the family, thus remain uncertain and fragile in old age and in times of

disability, disease and disruption of the family.

Gender Inequality Measures

Pakistan is placed at the lowly 105th position out of 136 countries under Gender-related Development Index (GDI) that measures gender inequality in health, education and decent living. Similarly, for women's economic and political participation, decision making and power over economic resources, Pakistan is ranked at the bottom 66th position out of 75 countries under Gender Empowerment Measure (GEM)¹. Pakistan's ranking on Human Development Index (HDI), and GDI and GEM, has though slightly improved over the years. In the UNDP 2004 Report, the country was ranked 142nd, in the 2005 Report it occupied the 135th position and in the 2006 Report it ranked 134th on HDI out of 177 countries.

Modest gains have been made in recent years regarding women's access to opportunities in a few areas. Gender gap in primary and middle schooling is reduced to 20 per cent in 2004-05². Another positive indicator is the sex ratio that declined from 108 in 1998 to 105 in 2003-04³, though the officials think it 'may be due to better females reporting'⁴. Political participation of women has improved through 33 per cent seats reserved in local councils, 21 per cent seats in parliament and 17 per cent seats in the senate. Women's access to health and reproductive healthcare, however, remains abysmally low and higher child and maternal mortality rates remain the 'major issues for Pakistan'⁵.

Gender, Constitutional Framework and Labour Legislation

The Constitution, via Articles 25, 26, 27, 34, 35 and 37, ensure equality before law, equal protection of the law, equality of employment, maternity benefits during employment, and equal access to public places. But most of the constitutional rights have not been given statu-

tory effect through special laws to protect women as promised in Article 25 clause 3 of the Constitution. On the contrary, laws discriminatory to women (i.e. Hudood Ordinance) have been promulgated for political expediency using women as pawn in the power game.

Particular clauses in the Factories Act 1934 grant rights with special reference to women. Rights granted under all major labour laws, such as the Payment of Wages Act 1936, Employees Old Age Benefit Act, the Provincial Employees Social Security Ordinance and the Industrial Relations Ordinance 2002, as well as the Workmen's Compensation Act, 1923, are applicable to both male and female workers. The definition of 'worker' in labour legislation contains words 'individual', 'employee' or 'person'. However, in all legislative text masculine pronoun is used throughout.

Unlike other common law countries, such as India, the judiciary in Pakistan has not played its role in the development of anti-discriminatory law⁶. Legal experts have not commented upon or critiqued labour laws for its lack of gender-

sensitivity, though a Commission made certain recommendations to remove gender discrimination in national labour legislation (see Box).

With the exception of the West Pakistan Maternity Benefits Ordinance, 1958, (and West Pakistan Maternity Benefits Rules, 1961) there are no special laws to protect rights of women at the workplace, despite specific constitutional provision for special law making under Article 25 (3). There are no laws containing the provisions for:

- equal remuneration for equal work for women;
- protection of women from sexual harassment at work place;
- protection of labour rights of domestic workers;
- protection of labour rights of home-based workers;

All of the country's labour laws, however, exclude agricultural workers, informal sector workers and home-based workers and majority of these categories of workers are women.

Women Factory Workers in Multan

Bushra Khanum

According to the Social Security Department, Multan, there are 2748 registered factories. Of these, 1248 are closed while 1500 are operational. The number of registered workers in Multan is 40,000 of whom 33,000 are men and 7,000 are women.

There are 75 registered unions in District Multan. All are male unions. A few unions have limited number of women members. Over all, women have no role in these unions. They neither hold any office, nor attend the unions' meetings. Two main reasons are: women's insecurity (of being thrown out of the job) and lack of confidence (to stand up and speak out), and the male co-workers' indifference and at times discouraging attitude vis-à-vis participation in union activities.

According to unofficial estimates there are around 40,000 women working on contract basis or daily wages in the manufacturing units—(mostly) textile and garments, food products, cosmetics—in Multan.

- The age of female workers employed in

these units ranges from 12 to 40 years, indicating incidences of child labour;

- The workers do not get weekly compulsory holiday and neither gazetted, paid holidays;
- Only 2 percent are regular employees, while 98 percent work on daily wages, or contract basis, so that the employers would not have to get them registered with the EOBI or ESS;
- Average monthly wage varies between Rs. 1000 to Rs. 2000. However, the workers are forced to sign salary receipts indicating higher amount;
- Women workers are denied 3-months maternity leave with full pay;
- 80 percent of women have reported incidences of sexual harassment of varying degrees;
- Women are not provided with any safety gear at the manufacturing units;
- According to an estimate, weekly 3-4 women suffer some kind of occupational accidents involving injuries to fingers, hands or arms;
- Women do not get any medical support or compensation for these injuries. Instead

The recent amendments in labour laws promulgated through the Finance Act 2006 are to impact women adversely as longer work day, and introduction of late evening shifts would increase hardship. The amendment in the Shops and Establishments Ordinance, 1969, has increased daily working hours from eight hours to 12 hours. The compulsory weekly holiday has been abolished. The provisions under sections 38 and 45 of the Factories Act 1934 that put a bar on women to work before sunrise and after sunset have been scrapped. Instead, women are permitted to work in two shifts up to 10 pm.

It is pertinent to point out these amendments have been pushed and endorsed by the business lobby and the World Bank that view the amendments would allow "... factories to raise production capacity and international competitiveness, while at the same dramatically increasing women's participation for paid work."⁷

Of the women workers employed in the formal sector covered through national legislation, very few access labour judiciary. According to 2005

survey of labour courts in Karachi, Lahore, Faisalabad, Sukkar, Peshawar and Quetta, none of the cases were filed by women.⁸ The reasons include male-dominated gender-biased labour judiciary and governance structures, lack of unionization among women workers, lack of legal information and lack of access to legal, technical and financial support networks and institutions. Women also face discriminatory laws and absence of laws in critical areas of home-based work, sexual harassment at workplace, and domestic violence.

International Labour Conventions

Of the four key ILO conventions for gender equality at work place—Equal Remuneration Convention No. 100 (1951), Workers with Family Responsibilities Convention No. 156 (1981), Home Work Convention No. 177 (1996), Maternity Protection Convention No. 183 (2000)—Pakistan has only ratified Equal Remuneration Convention, and that too without making commensurate statutory provisions.

Pakistan has ratified the UN Convention on the Elimination of Discrimination against Women

they are sacked from the job;

- Though 8 hour daily work schedule is official but employers force workers to put in labour up to 12 hours without paying over time at stipulated rate;
- Some women are compelled to work at night shifts and endure extreme hardships, loss of sleep, fatigue, and consequent pressure of neglected care work at the home front.

Case 1: Death of a Worker

38-year-old, Shakila Mai, a worker at Munawwar Engineering and Pressing Works, Vehari Road, Multan, died of burn injuries on 28 June 2005 when the press machine she was operating caught fire. Commissioner Payment of Compensation took action when he was notified and a case was registered against the employer on behalf of Shakila's son. The employer did not appear in the court and rejected the claim that Shakila was her employee. The Commissioner asked late Shakila's co-workers to come as witness so that the death grant of Rs. 200,000 would be granted to her son, but women workers were not willing to appear in the court as witness for they fear losing their jobs. The case is pending till today.

Case 2: Injured Child Worker

12-year-old Nadia Bibi, a worker at the Colony Textile Mills, Multan, lost her arm while working on a machine. The Commissioner took immediate action and a case was filed for compensation. The employer paid the child worker a sum of Rs. 150,000 within two months.

Case 3: Dismissal from Work after Injury at the Work Place

16-year-old Maria was inducted in June 2005 as a helper in Munno Wal Textile Mills Ltd., Mian Chunno. She was getting Rs. 2500 per month salary but was not given the employment letter. On 3 September 2005 she lost her arm when it got stuck in the machine. Medical expense incurred on treatment were borne by her family and when she returned to her work place, the employer sacked her without any notice or payment of due wages. Neither was she given the compensatory amount of Rs. 140,000 she was entitled to under the law. Maria filed a grievance petition under 46-IRO 2002 in the Labour Court No. 9, Multan, for re-institution of her job and payment of dues. The employer told the court that she worked on daily wages hence her demands are invalid. The case is still pending.

(CEDAW) and several ILO Conventions related to women and work such as, Labour Statistics Convention 1985, Maintenance of Social Security Rights Convention, 1982, Night Work (Women) Convention (Revised), 1948, and the conventions that cover core labour rights which are equally applicable to women workers. But the principles behind the ratified conventions have not been given statutory effect. Instead there are laws (i.e. Hudood Ordinance) that discriminate against women.

The National Commission on the Status of Women (NCSW), women's organizations and human rights group have been demanding ratifi-

Article 25 of the Constitution of Islamic Republic of Pakistan states:

- (1) All citizens are equal before law and are entitled to equal protection of law;
- (2) there shall be no discrimination on the basis of sex alone;
- (3) Nothing in this article shall prevent the State from making any special provision for the protection of women and children.'

Article 27 ensures that there shall be no discrimination against a citizen on the basis only of race, religion, caste, sex residence or place of birth. Article 32 provides special representation to peasants, workers and women in elected local government institutions. Article 37 says that the State shall ensure maternity benefits for women in employment and women shall not be employed in vocations not suited to their sex.

cation of related conventions. The NCSW advocates enactment of legislation to bring home-based workers into the mainstream working class and has recommended amendments in the West Pakistan Maternity Benefit Ordinance 1958, Employees Old Age Benefit Act 1976 and Provincial Employees Social Security Ordinance 1965.

Labour Force Participation and Problems in Enumeration

According to the LFS 2005-06, the country's female labour force augmented participation rate was 41.1 per cent while male participation was 70 per cent. The gap captured by the LFS between rural and urban women's participation—54.6 per cent rural women compared to 15.8 per cent urban women—is incongruent with the ground realities. The number of women engaged in paid economic activities in big cities and emerging urban centres as home-based

workers has increased enormously in recent decades.

Female participation rate in Pakistan, the lowest in South Asia, is attributed to both definitional problems and socio-cultural constraints. The term 'labour force' excludes women engaged in household activities. This shortcoming was partially addressed when the Labour Force Survey 1990-91 adopted a new definition identifying females (of age ten years and over) as employed if they engaged in any of the 14 agricultural and non-agricultural activities listed in the International Standard Industrial Classification (ISIC)⁹. It is officially acknowledged that women are under-enumerated due to social biases and flaws in sample size and data-collection methodologies. The Medium Term Development Framework 2005-10 talks about the issues of '...continued invisibility of women's economic contribution to the GDP...' and '...the continued lack of accurate gender-disaggregated data.'

Composition and Socio-economic Indicators of Female Labour Force

Occupational segregation characterizes the labour force. Women are concentrated in certain sectors (i.e. agriculture, services) and within the sector hold lower positions than men (i.e in the garments, women are in stitching while men are in supervisory roles). Women who are counted as employed include employees, self-employed and unpaid family helpers and are generally engaged in low skill, low wage economic activities. The majority of these women—59.2 per cent—works as unpaid family helpers compared to 19.1 percent of male unpaid family helpers¹⁰.

Women workers are concentrated in the informal sector, both in rural and urban economy. In the rural economy, 64.6 percent of women¹¹ are employed in farming, livestock husbandry and off-farm activities which fall under the category of informal sector. In the urban informal sector, 78.1 percent¹² of women work in diverse sectors, mostly as home-based, piece-rate or casual workers on exploitative wages, or are employed as domestic workers on extremely low remuneration.

In a study conducted across cities and in the garments, pharmaceutical, food, and plastic goods manufacturing sectors, the most common reason cited for women joining the labour force was increase in household expenditure and the inability of one or two male earners to meet the needs of a family comprising 7 members¹³.

Legislation Concerning Working Women

Equal remuneration Act 1976 was enacted in India on 11 February 1976 which gave statutory effect to the internationally recognized principles of remuneration at equal rate to men and women workers...

In Pakistan there is no special law containing the provisions of the above universally recognized principles of equal remuneration for equal work. Certain recommendations with respect to working women and their needs were made by a Commission, which suggested the creation of a non-discriminatory system of laws disavowing reliance on gender as a classificatory device. All existing labour legislation and new legislation was recommended to be drafted with a firm commitment to the rejection of gender as classificatory device.

The exclusion of some sectors of economy such as agriculture was noted as likely to leave working women unprotected. Some other sectors where banning of trade union activities particularly affected the women workers adversely were also noticed such as Pakistan Security Printing Corporation, the Ministry of Defence, the Export Processing Zone and Special Industrial Zone, etc. In respect of Workman's Compensation Act it was recommended that the provision with respect to women's receipt of compensatory payment should be deleted. It was recommended that

women should be compensated on the internationally recognized principles of equal pay for equal work. A special minimum quota should be fixed for apprenticeship for women in order to ensure that they have access to training facilities. Additional work place security, strict penalties for sexual harassment as well as other crimes against women and unreluctant enforcement to protect working women were recommended.

There were other recommendations with respect to the representation of women on the executive committees of the trade unions, commensurate with the percentage of the work force that they comprise in the establishment. Discrimination was noted in the Employees Old Age Benefit Act 1976 where it provided for survivors pension in case of a male child until he attains eighteen years of age and in case of a female child until she attain eighteen years of age or until marriage whichever is earlier. It was recommended that the survivors' pension should be given to all children male or female till they attain age of twenty-one. The Committee recommended the addition of agriculture and domestic workers into the definition of workers in order to bring them with the pruvieu of all all applying thereto. But the recommendation of this Commission has not yet taken a form of any statutory provision.

—Ali Amjad, *Labour Legislation & Trade Unions in India and Pakistan*, Oxford University Press, 2001

Forty-seven per cent of females in the study belonged to the age group of 14-24 years, 67 per cent were literate (primary education) and 66 per cent lived in katcha or semi-pucca housing units¹⁴. The study revealed that women's increasing participation in paid labour force does not automatically translate in empowerment as is commonly perceived.

While unemployment has shrunk across area and gender, the NWFP shows an alarming pattern of rising unemployment among rural women and to some extent among urban women. This is officially viewed as '...unintended consequences of recourse to enforce Islamic polity are particularly chastening for female employment.'¹⁵

Rights to form Association and Collective Bargaining

The trade unions in the formal sector are male-dominated in terms of both membership and

leadership. An earlier survey of 15 trade union federations revealed only one had a woman as president¹⁶. Women were found excluded from plant level unions as well. In the latest official data, out of 247,539 members of 1,201 registered trade unions in 2002, the number of female members was only 2,134¹⁷. In the informal sector women workers are not organised, unlike men who form informal labour organizations, or trade bodies, in various sectors in urban areas. It is officially acknowledged that women '...are culturally discouraged from forming organizations that might take on an active rights based approach'¹⁸.

The barriers that restrict women from organizing and participating in the unions in the registered establishments to bargain collectively for better pay and conditions include discouraging, patriarchal and patronising attitude of male trade union leadership, male co-workers, domestic

workload and responsibilities, societal attitudes, restrictive mobility, and lack of access to information on human and labour rights.

Also, anti-union tactics adopted by the employers, i.e. dismissal from work, intimidation and harassment of union members and office bearers, keep women out of union activities as they fear confrontation and threats from male employers and loss of job.

Lack of access to information on market dynamics, macro economic state policies and impact of globalization restricts women's world view, undermine their confidence and render them unable to assert their rights. In the informal sector, i.e., home-based work, domestic work, these factors combine with the lack of interaction among women workers due to isolated and atomized work places and hinder women to organize for collective bargaining.

Discrimination at the Work Place on the Basis of Sex

Discrimination in wages on the basis of sex alone is common. The employers tend to pay women less for same skill work. Data for 2004 indicate that more than half of women were earning less than Rs. 1500 per month. The average income of women was Rs. 2,593 per month, compared to Rs. 4,323 for men¹⁹.

In 2005, the PIA sacked 74 female crew members who were 45 years old. The PIA policy of discriminatory retirement of women at 45 was termed unlawful by the Court when the sacked employees challenged the policy in 2003. The PIA moved the Supreme Court and the case is still pending. The retirement age for male crew member is 60 years.

Gender Literacy Gap

Literacy rates (10 years and above) for Pakistan and Provinces 2004-05 (%)

Province/Area	Total	Male	Female
Pakistan	53	65	40
Punjab	55	65	44
Sindh	56	68	41
NWFP	45	64	26
Balochistan	37	52	19

Gross Enrollment Rate at Primary Level (Age 5-9) and Middle Level (Age 10-12)

	Primary	Middle
Total	86	46
Male	94	51
Female	77	40

South Asia: Women's Participation in Labour Force

Country	Female economic activity rate (%) (ages 15 and older) 2004	Female economic activity as % of male rate (ages 15 and older) 2004
Bangladesh	52.9	61
Nepal	49.7	63
Sri Lanka	35.3	45
India	34.0	41
Pakistan	32.0	38

Source: Human Development Report 2006, UNDP



**Refined Activity (Participation)
Rates: Percentage of persons in
Labour force to the total population.**

	Rural	Urban	Total
Total	46.3	49.2	41
Male	72.2	74.1	68.9
Female	19.3	23.6	11.1

Sexual Harassment at Work Place

In addition to various forms of work-related gender discrimination, a blatant, gender-specific violation of fundamental human rights, human dignity and self esteem is sexual harassment that the majority of women confront at the work place. Sexual harassment includes a whole gamut of uncalled for acts, ranging from indecent verbal remarks to physical contact to rape. Sexual harassment cut across sectors, occupations and positions of the affected at the workplace.



The incidents of the worst form of sexual harassment (forced sex and rape) are high in the sectors where women workers are most vulnerable due to poverty and debt as is the case in brick kiln, tenant farming and domestic labour. A survey revealed that 78 per cent of women working in different sectors-hospitals, banks and offices, factories, brick kiln, private homes (as domestic workers) faced sexual harassment of one form or the other.²⁰ Home-based women, contrary to prevalent perceptions, do not fare better. The 2005 survey indicated that 25 per cent of home-based women workers faced harassment (psychological, verbal, sexual, physical) by customers (44 percent), family members (42 percent) and middlemen (15 per cent)²¹.

Till today there is no legislation against sexual harassment at workplace. Sections 294, 350 and 509 of Pakistan Penal Code deal with sexual harassment but do not focus on the workplace. In 2002, eight NGOs formed the Alliance against Sexual Harassment at Work Place (AASHA) and with multi-stake holders consultations and technical inputs from the ILO office, evolved a code of conduct against sexual harassment. The Code was redrafted and the word 'sexual harassment' was replaced with 'Gender Justice' in the title on the pressure of the government officials and the male-dominated WEB-COP.

By July 2005, the Code of Conduct for Gender Justice at the Workplace was voluntarily adopted by 269 local and international companies in the country and by 10 trade unions. The Code was envisaged to be supplemented with legislation in future. The Alliance is ineffective in promoting voluntary adoption of the code. No evaluation is available on the impact of the adoption of the code in 269 establishments.

Demographic Indicators 2005-06

Total Fertility(TFR)	4	
Crude Birth Rate (CBR)	26.1	
Crude Death Rate (CDR)	8.2	
Population Growth Rate	1.90 %	
Infant Mortality Rate (IMR)	77	
Maternal Mortality Rate (MMR)	350-400	
Life Expectancy at Birth	Male	64.36 years
	Female	66.03 years

Source : Labor Force Survey 2005-06 : Three Quarter Yearly Report (July-March).

In October 2006 the government announced that an amendment to Section 2(b) in the Removal from Service (Special Powers) Ordinance 2000 has been approved. This amendment includes sexual harassment at work place in the definition of 'misconduct'. When made statutory, the clause would lead to dismissal, removal and compulsory retirement, and or minor penalties, to those accused of sexual harassment in the public institutions.

Notwithstanding the amendment in this specific law (that has limited coverage and provision of

Determinants of Occupational Segregation

Social, cultural, historical and economic factors all play a part in determining the extent and the patterns of occupational segregation. These factors include:

- Social norms and stereotypical perceptions regarding men and women, family life and working life;
- Education and vocational training;
- Taxation and social security regimes, and welfare policies and institutions;
- The structure of the labour market, including the size of the informal economy;
- Discrimination at entry to the labour market and at work.

—Time for Equality at Work, ILO, 2003

only minor punishment to offenders) there is an urgent need for a comprehensive law of universal coverage against sexual harassment of women at workplace with strict penalties.

Home-Based Workers

Unofficial estimates put the figure of home-based women workers in the informal sector as 75 per cent of the total informal labour force. Official data do not include the category 'home-

based'. However, the official figures indicate that women comprise 57.1 per cent of the informal sector labour force in the manufacturing sector and 31.2 per cent in the community, social and personal services sector.²² Home-based workers include both own account and piece-rate/sub-contracted workers. In Pakistan, the percentage of own-account home-based women workers is only 15 per cent (compared to 34.9 percent of men). Most of the home-based women workers are either unpaid family workers (59.2 percent) or employees (25.7 per cent) working on piece-rate²³.

A 2005 national survey undertaken by the NCSW in both agriculture and non-agriculture (garments, leather, carpets, handicrafts, food products) sectors, indicates that 51 per cent of home-based women workers put up 6-8 hours of productive work plus 3-4 hours of care work and domestic chores which add up to a working day of 9-12 hours.²⁴ Forty-two per cent of women suffer from medical problems (hypertension, diabetics, backache, poor eyesight) reflecting on poor and stressful working conditions.

In another recent study on home-based work in four hazardous occupations (agarbatti-making, prawn-shelling, carpet weaving, sack stitching) 34.7 per cent women reported negative health impacts (skin diseases, respiratory and musculo-skeletal problems) and 28.1 reported fatigue²⁵. Home-based sub-contracted women workers are the most exploited in the production chain. This study found that women were getting as low as 0.6 per cent of retail revenue per unit for incense stick making and 18.2 per cent for carpet weaving.

Labour laws in Pakistan do not apply to home-based work and have not been amended unlike India where the Minimum Wage Act has been

Discrimination in Remuneration

Disparities in the average earnings of men and women vary by industry and country as a result of:

- Differences in human and capital endowment: Investment in education, training, labour mobility and job search are generally lower for women than for men;
- Horizontal occupational segregation by sex: It appears that occupations mainly held by men have substantially higher pay rates as compared to those mainly held by women;
- Vertical occupation segregation by sex:

Women tend to occupy lower ranks than men within the same occupation;

- The necessity to reconcile work and family responsibilities: Women may be forced or choose to accept jobs which enable them to combine family responsibilities with paid employment.
- Work experience: Women going in and out of labour force gain less work experience, which induces lower wages;
- Knowledge: Information upon which to make comparisons or knowledge of rights and entitlements may be missing.

—Time for Equality at Work, 2003, ILO

Domestic Workers

Governments around the world have failed to acknowledge the rights of domestic workers perhaps most egregiously by systematically excluding these workers from key labor protections afforded to most other categories of workers under national laws. Such rights include guarantees of a minimum wage, overtime pay, rest days, annual leave, fair termination of contracts, benefits, and workers' compensation. This exclusion denies domestic workers equal protection under the law and has a discriminatory impact on women and girls, who constitute the vast majority of this category of workers.

Disregard for the labour rights of paid domestic workers is directly linked to the status of women. Domestic work is considered the natural extension of women's role in the family and society. Paid domestic workers essentially perform for wages the tasks the woman of the house is socially expected to perform for free.

In countries such as Guatemala, where the disproportionate majority of domestic workers are indigenous women, gender discrimination is compounded by racial and ethnic discrimination.

The failure properly to regulate paid domestic work facilitates egregious abuse and exploitation, and means domestic workers have little or no means for seeking redress. Women and girls employed in private households encounter a wide range of human rights violations in the workplace, including extremely long hours of work without a guaranteed minimum wage or overtime pay; no rest days; incomplete and irregular payment of wages; unsafe working conditions; lack of proper health care; no workers' compensation; and job insecurity. Inadequate monitoring by any independent or government agency compounds these abuses by creating an environment of impunity for employers.

Swept Under the Rug: Abuses against Domestic Workers Around the World, Human Rights Watch Report, 2006

extended to cover some sections of home-based worker (i.g. agarbatti workers, garment workers, bidi workers), and several sectoral Acts offer protection to home-based workers.

In 2005, a network of civil society organizations, registered as HomeNet Pakistan, has taken up the cause of home-based workers and advocates for their recognition and labour rights. (see box)

Women in Textile and Garments Sector

Textile industry employs 38 percent of the total manufacturing labour force and contributes 60-

70 percent to export.²⁶ An estimated 30 percent of the workforce in textile is female.²⁷ Within the sector, women workers are concentrated in low-paid, labour-intensive down-stream production (hosiery, ready-made garment, bed-linen, towel), while men dominate capital intensive ginning, spinning and weaving processes. Employment of women in stitching is found to be between 41 to 75 percent of the total workforce in respective units.²⁸ Also, 90 percent of the work in textile and clothing industry is sub-contracted.²⁹ A significant portion of this work is for transnational companies.

Organizing India's Domestic Workers

Sister Jeanne Devos set up the National Domestic Workers' Movement (NDWM), India's first national movement to bring visibility to the plight of 15 million domestic workers, particularly children. In India domestic workers often live in harsh, abusive conditions and are generally not considered "real" workers with rights to adequate pay and legal protections. By organizing and empowering domestic workers, influencing public opinion and lobbying the government, NDWM is improving the lives of an overlooked and exploited group, both in India and internationally.

Devos kickstarted the movement in 1985 by bringing workers together to demand improved treatment and wages. Since then, the movement has expanded to offer new approaches to identifying and intervening

in abusive domestic labor situations and human rights training for migrant domestic workers. NDWM's lobbying has led several Indian state governments to adopt reforms like mainstreaming domestic labor into the informal sector or setting up a code of conduct for employers of domestic workers.

The NDW now has more than 150,000 members and has opened counselling centres for abused workers and helps domestic workers find work with a list of decent employers. Over the years, its network has spread to 12 states. Most of its leading activists are domestic workers themselves, who help in spreading awareness among co-workers about protecting themselves from abuse. Each state has a coordinator.

<http://www.changemakers.net/journal/300503/profiles.cfm>

According to a study³⁰ investigating conditions in textile units producing garments for GAP and Levi Strauss in four cities (Lahore, Faisalabad, Sialkot, Islamabad), women are forced for over-time with inadequate wages (less than Rs. 2500 per month); 95 per cent women have no appointment letters; 80 percent of the management do not provide health and safety equipment and 70 per cent of women suffer from harassment at work place.

In 2005, PILER investigated five factories in Karachi producing garments for global retailers. The study indicated that 95 percent of workers are not given appointment letters and all the workers were on contract basis. Most of the fac-

tories do not allow unionization and the workers have no knowledge of the companies' codes of conduct. The auditors were found to be more concerned with physical infrastructure for the workplace rather than wages, social security, the rights to unionize and collective bargaining of the workers.

During the textile workers' convention held at PILER Centre in 2005, the workers' representatives from the four provinces identified gender-specific issues faced by women workers as gender discrimination in wages, i.e. less pay for equal work, lack of separate toilet facilities, and forced night shifts and over time in late evening.

ILO Conventions and Recommendations on Domestic Work

To date, no international instrument is devoted to prescribing labour standards that exclusively apply to domestic workers. However, International Labour Standards in many key areas—including the fundamental human rights Conventions on freedom of association, equality rights and forced labour—apply to domestic workers.

A few Conventions expressly stipulate that they apply to domestic workers. For example, the full title of the Sickness Insurance (Industry) Convention, 1927 (No. 24) is the Convention concerning Sickness Insurance for Workers in Industry and Commerce and Domestic Servants. It provides that the compulsory sickness insurance system is to apply to manual and non-manual workers, including domestic workers.

Certain Recommendations also specifically address the status of domestic workers. For example, the Medical Examination of Young Persons Recommendation, 1946 (No. 79) stipulates that it should apply to domestic service for wages in private households (Article I(l)(e)). The Employment Services Recommendation, 1948 (No. 83) proposes that within the general framework of free public employment services that should be established by Member States, measures should be taken where appropriate to develop separate employment offices that specialize in meeting the needs of employers and workers belonging to certain categories of work, including the domestic

service "wherever the character or importance of the industry or occupation or other special factors justify the maintenance of such separate offices".

In one of the core ILO instruments, the Maternity Protection Convention (Revised), 1952 (No. 103), extra care is taken in Article 1(3)(h) to ensure that "domestic work for wages in private households" is clearly understood to be included within the meaning of "non-industrial occupations" that are covered by the Convention. A Member State may only exclude this category of work from the scope of the convention by way of a declaration accompanying ratification of the international instrument (Article 7(1)(c)).

In most cases, however, domestic workers are not specifically mentioned in Conventions. It is understood in those cases that domestic workers, like all other workers who have not been excluded from the scope of a Convention, are to enjoy the rights, freedoms, and protections contained within it. The most notable examples are the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87) and the Right to Organize and Collective Bargaining Convention, 1949 (No. 98). Though neither specifically refer to domestic workers, both entitle them to the full gamut of freedom of association guarantees, including the right to establish and join occupational organizations.

http://www.ilo.org/public/english/dialogue/ifpdial/publ/infocus/domestic/3_1.htm

The ILO's Home Work Convention

Under Convention 177, the defining characteristic of home work is the existence of an employer-employee relationship. In effect, an 'employer', who may be either a person or an enterprise and may provide the work either directly or through an intermediary, assigns work to the home worker. An employer-employee relationship exists regardless of who provides the equipment, materials and other inputs used in production.

Home work is not the same as 'homebased' work because the latter can include work done at home, the fruits of which are then sold by the worker to the public. In the home-work scenario, there is no employer because the worker is self-employed. The Convention makes the distinction clear by noting that a home worker is not an 'independent worker', who has a 'degree of autonomy and economic independence'. Home work is, thus, only one category of homebased work. The Convention covers only home work and not the more general category of homebased work.

A home worker works at home on a regular basis. A person who occasionally works at home but normally works at the premises of the employer is not considered a home worker.

Along with definitions, the Convention places certain requirements on a ratifying country. A country would be required to adopt and implement a national policy on home work that is designed to improve the situation of home workers. Agreeing to and implementing the policy must involve consultation with the most representative organisations of employers and

workers and, where they exist, with other organisations concerned with home workers or their employers. The policy is implemented through laws and regulations, collective agreements, arbitration awards and other measures.

The national policy should promote equality between home workers and other wage earners. This equality includes:

- Right to freely establish, join and participate in organisations
- Protection against discrimination
- Protection in the area of occupational safety and health
- Remuneration
- Statutory social security protection
- Minimum age for work

The intent is to provide home workers with the same rights and protection afforded to other workers employed in factories, shops, offices, etc.

The Convention also requires a system of inspections so that laws and regulations regarding home work are enforced. Violations would result in remedies, including penalties if appropriate. The Convention does not indicate what those remedies or penalties should be. A country is required, to the extent possible, to measure home work so that it can be included in labour statistics. The issues to be measured (be it the number of people engaged in home work, the sectors, the rates of pay, etc.) are not stated in the Convention. – Paul Vandenberg & Kanagarani Selvakumar

<http://www.labourfile.org/ArticleMore.aspx?ID=800>

Women in Domestic Service

Domestic service is not included as a category of work hence domestic workers—majority of whom are women—remain unaccounted in the official labour force surveys. Keeping in view the common socio-economic indicators of this segment of labour force—illiterate, poor, landless, rural migrant—the estimates of domestic workers can be gauged from the official absolute numbers of 'extremely poor', 'ultra poor' and 'poor' population who fall below the poverty line (23.9 percent).

Non-recognition of domestic work as 'occupation', lack of protection of labour laws and regulation, low socio-economic indicators of women

who enter this segment of labour force, and the nature of work place—private domain—make female domestic workers extremely vulnerable to exploitation. Low wages, delayed payment and deduction of wages, long working hours, lack of rest period and paid holidays, and the threat and reality of physical and sexual harassment, including rape, characterize domestic work.

The number of women domestic workers is increasing due to both push and pull factors. Increasing casualisation of labour in agriculture, indicative of landlessness, pushing families out of rural areas and in to big cities and towns, is one of the reasons that rural migrant women,



Sexual Harassment of Domestic Workers

Women domestic workers complain consistently about being subjected to various forms of sexual harassment. They say men "bother" them, or "tease" them, and sometimes their language does not reveal the full extent of the harassment. For example in a village A, Punjab, a mother and daughter work together inside the house of a wealthy employer. The daughter is divorced and live with her parents, and said that her employer often has men friends over who drink and then start to "bother" the Musalli girls like herself and "think nothing of it"...In both Punjabi villages, women domestic workers alluded to the drunken behaviour of zamindars, how they make them do "strange" things. Sexual abuse was hinted at, but women appeared reluctant to talk about it.

In Shahdadpur, women domestic workers pointed out that sexual harassment was less common than in Karachi because Shahdadpur is a small town and most people know each other. There were numerous stories of women who had returned from the big city because of the sexual abuse or harassment they experienced.

A rapid assessment of bonded labour in domestic work and begging in Pakistan: Rapid Assessment Studies of Bonded Labour in Different Sectors in Pakistan, 2004, Govt of Pakistan and ILO publication

illiterate or with little schooling, have no option but to supplement the meager family income through domestic labour market in urban centres. Domestic service is no more a privilege, afforded only by rich households. In the cities, increasing participation of literate, skilled and professional women in paid labour force necessitates care work support in the upper-middle, middle and lower-middle class households and hence continuing demand for part-time domestic workers.

Domestic workers are paid on monthly basis for each category of work—dish washing, laundry, floor sweeping, mopping, dusting, ironing, cooking. In the absence of Minimum Wage fixing law applicability, the wages vary according to residential locality, type of habitat, category of work and load of work. Hence a domestic worker in Karachi gets better pay if employed in a house in Defence Housing Society than in Liaquatabad. Similarly, the rate for sweeping a flat is different than for a bungalow. Cooking gets better wages than any other domestic chore. On average, a domestic worker works in 2-3 houses and earns between Rs. 1500-Rs. 2500 per month in Karachi. Full-time or live-in domestic servant gets a minimum of Rs. 3000 with inadequate



provision of food and shelter and a tougher and erratic work schedule.

Sexual molestation of teenage female domestic workers is rampant in big cities. Reporting of these incidents is avoided by the families of victimized girls who suffer silently and seek medical intervention of pregnancy from clinics facilitated by some health NGOs and charity organizations.

Women Workers' Mobilization

There exist a significant number of active women's groups, resource centres and organizations engaged in mobilizing and sensitizing grass-roots women as well as policy makers on gender issues and women's rights. These struggles and movements have mainly revolved around gender equality in access to education, health, legal rights and political participation. In recent struggles for control over resources—for land rights by Anjuman Mazaren Punjab, and for control over water resources by Pakistan Fisherfolk Forum—women are in the forefront. However, when it comes to organizing or supporting women on labour issues, there has never been any focused and comprehensive initiative undertaken by activists at grass-roots level com-

HomeNet South Asia

HomeNet South Asia is a network organization of women homebased workers promoted by UNIFEM and SEWA. It was set up after the Kathmandu Declaration, formulate in conference in Nepal in year 2000. The objectives are: making visible the homebased workers and their issues ; advocating for National Policies for homebased workers in each country, strengthening the grass roots and particularly the membership-based organizations of homebased workers in each country and creating and strengthening the South Asia network of homebased workers and their organizations.

In South Asia, there are about 50 million homebased workers, out of whom 80% are women. The Asian Region is a key area for organizing homebased workers due to the high number and a strong history of successfully organizing these workers.

The Networks of homebased workers are expanding in India, Sri Lanka, Pakistan, Nepal and Bangladesh. The network organization developed in these countries are HomeNet India, HomeNet Sri Lanka, HomeNet Pakistan, HomeNet Nepal and HomeNet Bangladesh.

—<http://www.homenetsouthasia.org>

parable to Self Employed Women's Association (SEWA) and National Domestic Workers' Movement (NDWM) in India, or by woman-headed professional support groups like Karmojibi Nari and Bangladesh Center for Workers' Solidarity in Bangladesh.

The Pakistan Institute of Labour Research and Education (PILER) that initiated and ran the Working Women Centre in Karachi for four years (1990-94), conducted research on women workers and has been sensitizing women workers through its mixed-sex educational workshops on core labour rights, has not been able to play a significant role in mobilizing women workers.



Anti-Labour Actions and Workers Struggles

The most retrogressive step taken by the state during the year was the unconstitutional promulgation of amendments in labour laws through the Finance Act 2006. The changes brought about in the Factories Act 1934, Shops and Establishments Ordinance, 1969, Industrial and Commercial Establishments (Standing Orders) Ordinance 1968—lengthening working hours—and in the Employees Old Age Benefit Institution Act 1976—shrinking applicability of social security benefits—are to impact the workers adversely (*details in Chapter 2*).

The process of privatization—causing massive retrenchment—faced a setback in 2006 when the sale of Pakistan Steel Mills was halted by the Supreme Court on charges of lack of transparency of transaction and for bypassing approval from the Council of Common Interests. Of the 21 transactions scheduled for 2006, only two (Pak American Fertilizers and Lasbella Textile Mills) materialized and privatization of the remaining, including the energy sector public utilities (PSO, PPL, SNGPL, SSGC) were put on hold.¹ Resistance against privatization throughout remained weak and inconsequential in the backdrop of the agreement reached by the All Pakistan State Employee Workers Action Committee in 1991 that gives workers of privatized enterprises severance pay of 25 per cent of the last year salary for every year worked, a guarantee of one year of future employment and the option to take shares in the privatized units.

Numerous incidents of violation of labour laws in the unionized industrial units were recorded in the print media. The decision of American company, Nike Inc., to cancel orders from Sialkot-based producer Saga Sports of hand-stitched soccer balls due to labour laws violations was indicative of the prevalent conditions in local supply units of multi-national companies which claim to adhere to ILO's core labour rights and

the company's codes of conduct. Violation of labour laws in the unionized production centres of Saga Sports that caused loss of jobs for 7,000 workers, is the tip of the iceberg. Hidden underneath are isolated, piece-rate workers contracted by the value chain manufacturers and the massive informal industrial sector producing for local consumption.

Non-payment of legal dues of sacked workers remained one of the many issues taken up by the workers in the formal sector. The Action Committee of employees of the defunct SRTC representing 1,600 workers continued its campaign for payment of legal dues for the seventh consecutive year in 2006. The SRTC, a provincial public utility, was closed down on Dec 6, 1999. The workers received partial payment of their dues in 2002 and have been struggling to get remaining legal dues since then. By December 2006, the workers had not received the dues. The trade union body representing over 1,700 retrenched workers of Karachi Port Trust held protest rallies demanding payment of their dues in full.

Despite constraints faced by workers in the weakened and shrunk unionized formal sector and the increasingly expanding non-unionized informal sector, the trade unions and the federations and the informal workers' organizations continued to put up resistance against labour laws violations. The most determined labour struggles occurred in the agriculture sector and its sub sector fisheries which the state has kept excluded from labour legislation since the last 59 years. The two other prolonged struggles are of the brick kiln workers and power-loom workers in the informal industrial sector where unionization does not exist in its typical form yet the workers have waged collective struggle for better wages and other working conditions.

The struggles of agricultural tenants, fisheries



workers, brick kiln workers and power-loom workers indicate the emerging bargaining power of informal sector realized through mobilization of affected workers. Agricultural workers cannot form unions but they do use traditional, institutional mechanisms to put up a collective fight. Both Anjuman-i-Mazarain Punjab, representing the military farms tenants, and the Pakistan Fisherfolk Forum are membership-based organizations. PFF is registered under the Social Welfare Ordinance 1969 while AMP is not. Informal workers in the industrial sector who cannot have collective bargaining agent status, register their membership-based organizations under the Social Welfare Ordinance 1969.

Compared to informal sector workers' struggles, resistance put up by unionized formal sector labour is weakening with the passage of time. The public sector services utilities workers' (HBL,

PTCL, KESC) campaign against privatization failed to achieve its objective. The resistance delayed the process of privatization but could not prevent it. The failure is attributed to weak, splintered and political party based unionism.

The unconstitutional ban on teachers' associations imposed by the Sindh government through a notification issued in July 2006 was resisted through a sustained campaign and challenged in the Sindh High Court by the Sindh Professors and Lecturers' Association (registered under the Society Registration Act 1860). In December 2006 the Sindh High Court ruled the ban unlawful and in violation of the constitutional guarantees provided to citizens on the right to freedom of association and expression enshrined in Articles 17 (1) and 19.

In addition to organized/unionized workers



struggles noted in this section, there have been countless protests and efforts at individual, small group/unit and factory level by workers in different sectors to resist unjust and illegal actions taken by employers/owners. In many instances, the workers approached the judiciary. But there were many more cases of exploitation of labour where vulnerable, weak workers did not have the capacity to fight to secure their rights.

Agricultural Workers

Military Farms Workers' Movement for Land Ownership

The determined struggle of approximately one million tenants of the military farms in Punjab for land rights entered its sixth year in 2006. Harassment, intimidation and arrests of the tenants on alleged pretexts by the police and the

military personnel became less frequent in 2006. There were two incidents—in April and July—of police arrests, leading to protests and rallies and subsequent dialogue between the state officials and representative of the Anjuman-e-Mazarain Punjab (AMP).

The apparent shift in the state strategy—dialogue rather than confrontation—has not as yet led to resolution of the conflict though the process of dialogue initiated in the last quarter of 2005 between the officials of the army, Rangers Punjab, Punjab Board of Revenue and provincial government with the representatives of Anjuman Mazarain Punjab (AMP) continued in 2006. The officials assured the AMP representatives that the government was finalizing arrangements to grant land rights to the tenants and the notification to this effect would be issued in early 2006.

In mid 2006 the AMP had three meetings with senior military officials appointed by General Pervaiz Musharaf as his representatives, for negotiation and settlement of the issue. In June, the Punjab Cabinet approved the draft law to grant land ownership rights to occupancy tenants. The draft law was to be presented in the Assembly.

Dialogues were held between the AMP Khanewal committee with the Punjab Minister for Agriculture, Arshad Khan Lodhi, for land rights of tenants of the Punjab Seed Corporation (PSC) Khanewal farms. A committee was formed comprising Punjab Revenue Board,

Pearl Continental Hotel Workers' Struggle

The struggle of the Pearl Continental Hotel Employees Trade Union entered its sixth year in 2006. Three hundred of the PC workers, terminated illegally from services in 2001, continued to exert pressure on the management for re-instatement of services and restoration of their collective bargaining status, through the Pearl Continental Hotel Karachi Workers' Solidarity Committee formed in 2005.

The conflict began in September 2001, when management announced that due to a decline in bookings it would sack all casual and temporary workers and eliminate one day of paid work per week for permanent staff. The union called for negotiations, but management ignored the request and proceeded to fire 350 casual workers. The union was not informed, nor were the dismissed workers. The dismissal letter was published in a daily newspaper and the workers were barred from entering the hotel when they reported for work the next day.

provincial ministers PSC, Khanewal DCO and District Nazim. The committee held eight meetings and submitted a report to the Chief Minister. Till the end of 2006 no change in the status of tenants had come about. Though on 28 December Chief Minister Punjab who visited Okara, assured the tenants that President Musharaf was expected to announce landownership rights to tenants in March 2007 when he would come to Okara to seek votes from this vast constituency of occupancy tenants spread over in 10 districts of Punjab.

Fisheries Sector Workers' Struggle for Control over Water Resources

The fisheries sector workers' focused campaign against the contract system imposed by the state on 1,209 fresh water fishing grounds in Sindh continued in 2006. Under the contract system the inland fish resources are auctioned by the Sindh government to private contractors. Fishermen are compelled to sell their catch to contractors at nominal prices who earned huge profit through sale in the open market.

Pakistan Fisherfolk Forum (PFF), the largest organization representing fish workers, had initiated a decisive campaign against contract system and the rangers' occupation of Badin's fishing grounds in 2004. The PFF campaign to rid the rangers from forced occupation of waterbodies in Badin was successful and the federal government removed the para-military personnel through a notification in December 2004. However, instead of handing over the resources to fisheries workers, the Sindh government took over control.

The PFF termed 2005 as 'The Year of Struggle' and the mobilized fishing communities held several protest rallies and demonstration in Badin, Thatta, Sakrand, Hyderabad and Karachi. Five leaders of the Pakistan Fisherfolk Forum were arrested by the police during a demonstration and put in jail for three weeks in May-June 2005. The arrest and detention of PFF leaders was challenged in Sindh High court. The fisheries sector workers, facilitated by civil society organizations, filed a constitutional petition against contract system on inland fisheries in the Sindh High Court on 30 May 2005. By December 2006 the case was still pending after several hearings.

The fish workers' rally against contract system in June 2006 was suppressed by the police. The fishermen and women from Sindh's coastal communities, who traveled and converged on

Toll Plaza, Super Highway and National Highway to enter the city of Karachi, were dispersed through baton charge and teargas shelling and 22 of their members were arrested and later released. The PFF sustained the struggle through rallies, demonstrations and press conferences throughout 2006.

Another issue of community control over resources emerged when the federal government sold the twin-islands to UAE-based Emaar Group of Companies for construction of a new city for the rich on the 12000 acres of land in September 2006. The islands, Bundal and Buddo, located at the western end of the Sindh Coastal Zone bordered by Korangi, Phitti and Jhari creeks, serve as a wedge between the coastline and the deep sea and the surrounding waters provide subsistence fishing to small fishermen. The islands are used by fishermen as fish-drying and net-repairing yards. The development project, if materialized, would adversely affect Ibrahim Hyderi, the largest fish workers' settlement with a population of more than 120,000, and would have long term adverse impact on the livelihood of coastal communities.

Protest rallies, demonstration and seminars to mobilize public opinion were organized by Fisherfolk Forum and Pakistan Mahigeer Tehrik facilitated by several resource organisations. Despite popular resistance, the army personnel grazed the few existing huts of fishermen and forcibly evicted them on 8 and 9 December.

As a result of Pakistan Mahigeer Tehrik's campaign for a jetty for small fishermen at Karachi fish harbour, the Sindh Assembly allocated resources in its 2006 budget for the construction of the jetty.

Formal Sector Workers

Privatization

In August 2006, the number of public sector industrial units and utilities privatized since 1991 had reached 161. The total number of retrenched workers of all the privatized units is not known as there is no evidence of efforts from any quarter (Privatization Commission, trade unions, research institutions, NGOs) to document the affected workers unofficially estimated to be around 700,000.

In March 2006, the Habib Bank Ltd. (UBL) retrenched over 2,000 of its employees in a crude manner: the workers received termination

letters without any notice. In October the PTCL sacked 1,900 of its daily wage workers. In December the National Industrial Relations Commission stayed retrenchment of 4,000 employees of National Bank of Pakistan a day ahead of its happening in response of the petition filed by NBP Employees Union.

Privatisation of smaller units went unchallenged as the respective trade unions, with limited membership, were too weak to resist. Trade union bodies of large public sector utilities (KESC, PTCL) put up resistance against privatization focusing on the terms and condition offered to the workers. With the exception of PTCL, workers of none other entity put up fight for unconditional rejection of privatization.

Pakistan Steel Mills

The Pakistan Steel Mills Corporation was sold to a consortium of companies (Saudi Arabia, Russian, Pakistan) on 31 March 2006 after five years of restructuring that included reduction in the number of permanent employees from 20,554 to 13,371 by January 2006 through Voluntary Retirement Scheme (VRS).

During the pre-privatisation period, the Pakistan Steel Employees Action Committee, the alliance of several PS unions, agitated and negotiated unsuccessfully with the Privatisation Commission for a better package. After privatization, the workers challenged the transaction through a petition jointly filed in the Supreme Court in May 2006 by Pakistan Steel People Workers' Union and Watan Party. On 23 June 2006, the Supreme Court annulled the transaction for institutional irregularities in the procedure and bypassing the Council of Common Interests. However, Supreme Court upheld the Privatisation Commission Ordinance 2000.

The government reconstituted the CCI in August which reaffirmed the approval it gave in 1997 for privatization of the Pakistan Steel. The PC filed a review petition and has re-listed privatization of PS in its upcoming transaction programme.

Pakistan Telecommunication Company Ltd. (PTCL)

The failed resistance of PTCL 65,000 strong workforce against privatization was reduced in the year 2006 to sporadic and weak protests mainly by its contract workers—represented by the PTCL Daily Wages Action Committee—against retrenchment of its daily wage workers.

In April 2006, Etisalat had taken over administrative control of PTCL. In a belated and inconsequential step, one of the splintered unions, the Pakistan Telecommunication Company Limited (PTCL) Lions Union, filed a petition in May 2006 in the Supreme Court challenging the process of privatisation and handing over of its management.

The PTCL workers struggle against privatization was strong and spontaneous but short-lived. The alliance of nine unions—the PTCL Unions Action Committee (UAC)—which mobilized workers for unconditional rejection of the privatization of the PTCL, confronted the state but had withered in June 2005 when a faction of alliance accepted the management package for the workers and the PTCL 26 per cent shares were sold to Etisalat, the UAE company. In December 2006, the PTCL management held a meeting with the employees union over its restructuring policy that includes mass retrenchment.

Against Labour Laws Violations

Sugar Mills Workers

The long and arduous struggle of jobless workers of state-owned Dadu Sugar Mill and Thatta Sugar Mill was partially fruitful when the Sindh government officially relieved them from the services of the Sindh Sugar Corporation in August 2006 and promised new jobs after an undertaking that the workers would not demand salary for the period the two mills remained closed. The collective salary bill of all workers ran around Rs.10 million.

Over 2,500 ex-workers of the state-owned Thatta Sugar Mills (closed since 1996) and Dadu Sugar Mills (closed since 1999) had waged struggle to obtain their legal dues from the state. According to an estimate, 20,000 households were affected by the closure of these two mills including the families involved in crop cultivation, harvesting and transportation of sugarcane.

Sugar production industry is the second largest after textile industry in terms of earnings and has a direct bearing on the lives of millions of farm workers who grow sugarcane, one of the major—and a highly water-intensive—cash crop. The 78 sugar mills operating in 2006 in Pakistan, owned by big landlords, bureaucrats, politicians and the military establishment employ over 75,000 workers. Since the last few years the sugar industry is going through a crisis due to a conflict of interests between the power-

Glass Bangle Factories Workers' Campaign for Decent Work Conditions

The glass bangle factories workers' years-long struggle did not bring any result in 2006. The Hyderabad Glass Bangle Mazdoor Ittehad Union regretted that despite the workers' continued struggle and meetings with the Labour Department, Commissioner Social Security, Employees Old-age Benefit Institution, etc., no action had been taken against the factory owners who violate labour laws.

Glass bangle factories workers in Hyderabad city had waged a concerted struggle in 2005 for increase in wages, regularization of contract workers and access to social security benefits in pursuance of their seven year old demands ignored by the factory owners. The factories owners responded in a menacing tactic by shutting down 35 factories on 17 January 2005. The struggle was led by Hyderabad Glass Bangle Mazdoor Ittehad Union and Hyderabad Chori Welding Workers' Union and supported by the National Trade Unions Federation. The factory owners re-started production after a month of lock-out assuring workers their demands would be met. The factory owners again illegally closed the factories on

September 22 when the unions pressurized them to honour the promises.

The Glass Bangle Mazdoor Ittehad Union's representatives held meetings with the Labour Department and SESSI officials, submitted memorandums to the secretary and the director Labour Department, the Sindh chief minister, prime minister and the president but no action was taken.

According to an estimate 400,000 men, women and children are involved in glass bangle production and ancillary work in 52 units in Hyderabad city, of whom a sizeable number work at home. It is estimated that each bangle passes through at least 60 persons—most of them low-paid workers—before it is put up for sale. While the main work is done in the factory, the decoration, the soldering, or *jalai*, of joints and the straightening and bending are done in homes under dismal conditions and without protective gears by women and children. Lack of safety measures in glass bangle factories exposes the workers—who work at furnaces and with molten glass—to high temperature and thermal radiation and consequent health risks. For Hyderabad factory workers, however, the priority issues were related to wages and security benefits in times of illness, injury or death.

ful mill owners and relatively weaker cartel of growers.

The tussle between sugarcane growers, mill owners and the state affected the workers most who went through economic hardship and insecurity during temporary closure of mills. In many mills workers confronted an increasingly harsh management tactics including withdrawal of benefits and facilities, retrenchments and dismissals, lack of implementation of labour laws, promotion of workers to officer status to reduce union membership and deny legal rights, failure to register workers engaged on contract or casual basis and repression and harassment of trade union officers.

The sugar mills whose management resorted to anti-labour tactics reported by the press in 2005-06 include sugar mills managed by the Fauji Foundation, Army Welfare Sugar Mills, Badin, Mirpur Khas Sugar Mills, Ranipur Sugar Mills, Sanghar Sugar Mills and Habib Sugar Mills, Dewan Sugar Mills, Shah Murad Sugar Mills and Al Noor Sugar Mills.

Informal Sector

Powerloom Workers' Movement for Decent Work Conditions

The concerted struggle of powerlooms' workers—carried forward through protest rallies, strikes, press conferences, seminars and dialogue with government—for better wages and decent work conditions—continued in 2006 in the districts of Faisalabad and Toba Tek Singh.

In March 2006 the District Human Resource Board (DHRB), Faisalabad, had accepted workers' demands after their prolonged hunger strike for issuance of social security cards, weekly paid holiday and registration of power-loom factories. A special pay committee was also constituted to evolve a formula for increase in wages. But none of the state's commitment was implemented by the end of 2006. The meeting scheduled by DHBR on 27 December 2006 was postponed till February 2007.

Since early 2005, powerloom workers had been

campaigning for abolition of the contract system from factories, increase in salaries and registration with Punjab Social Security Institution, EOBI and other labour welfare institutions. The workers' struggle was strengthened with the induction of 40 labour councilors and 2 union council nazim in local the government who won election in 2005 with the support of Labour Qaumi Movement (LQM). This victory made a dent to the hold of industrialists, traders and politicians on local affairs of the city. In September 2005, powerloom workers' representatives, including Labour Quami Movement members, allied with textile workers in other parts of the country in the formation of Pakistan Textile Workers' Union to fight collectively for their rights.

An achievement of the workers in 2006 was transfer of Director Labour Department, Faisalabad, who had adopted a harsher attitude towards workers after the acceptance of their demands. This came about after the workers took over the Labour Department premises and locked the officials in one room for 6 hours. State officials had a dialogue with the workers and consequently the director was transferred. The current director is responsive to the needs and complaints of workers and takes to task the employers on violation of laws.³ An important achievement is the changed attitude of law-enforcing personnel. Previously the police used to harass, detain and register FIR against worker unlawfully.

Faisalabad, the third largest city of 5.5 million is the hub of cotton textile production. Of this, 3.5 people are directly or indirectly earning their livelihood from the sector and 500,000 are estimated to be working in big and small powerloom factories spread all over the city. The daily wage of powerloom workers varies from Rs. 75-120 per 100 metres of fabric. Prior to the powerloom workers' struggle the average earnings were reported between Rs. 100-120. By 2006, the workers' wages were raised to an average of Rs. 200 per day by few of the powerloom owners. Also, several owners initiated the process of registering their workers at social security institutions.

Brick Kiln Workers' Struggle against Violation of Human and Labour Rights

The brick kiln workers' resistance against low wages, poor working conditions, bondage and abuse by brick kiln owners and law-enforcing agencies continued during 2006 in different districts of Punjab, Sindh and NWFP. The workers

organized meetings, rallies, strikes and conferences—in Toba Tek Singh, Sahiwal, Lahore, Islamabad, Mirpurkhas, Hyderabad, Mardan—to mobilize public opinion and pressurize state officials for implementation of labour laws and the Bonded Labour System (Abolition) Act 1992, upheld by the Federal Shariat Court in its October 2005 ruling.

Through a government notification issued in July 2006, the wages were raised to Rs. 295 per thousand ordinary bricks and Rs. 349 per thousand special bricks against the brick kiln workers' demand for Rs. 500 per thousand bricks. Due to non-implementation of minimum wage, most of the brick kiln owners continued to pay Rs. 150 to Rs. 200 per 1000 bricks to the workers, while selling bricks in the open market at the rate between Rs. 2000 to Rs. 3500 per one thousand ordinary bricks and Rs. 5000 per one thousand special bricks.

The brick kiln workers' alliance of the four provinces, the All Pakistan Bhatta Mazdoor Union—formed in 2005—continued its campaign for registration of brick kilns under the Factories Act and coverage of brick kilns workers under labour laws, implementation of July 2006 wage notification, and the Bonded Labour System (Abolition) Act 1992. In September 2006, the process of registration of brick kiln workers was initiated in the Lahore Union Council 148, Pajian, with the assistance of National Database and Registration Authority, which waived the condition of producing birth certificate for issuance of national identity cards. The access to national identity cards was to facilitate 150,000 brick kiln workers in Lahore district to register with social security institutions. ■



Marginalized Labour

T Specific groups of workers suffer from multiple forms of deprivation. Living at the margins of socio-economic structures—with weak representation in the mainstream society—they are discriminated due to caste, race, nationality, religion, occupation, age or gender, and denied access to social services (i.e. education, health) and financial assets (land, credit). Labour market exclusion renders them unable to generate a decent and livable family income. Surviving on subsistence employment, these groups are compelled to take family decisions—i.e. putting children to work, taking binding loans—that deepen exclusion.

Of particular concern are the distinct groups of bonded labour and migrant labour. As a marginalized category, child labour is endemic, cuts across excluded groups and is inclusive of lower-income groups in the informal economy.

Gender is yet another basis of discrimination cutting across excluded groups. Migrant/refugee women, women under bondage (in agriculture and brick kiln sectors) and female child workers suffer from particular forms of exploitation linked to gender (i.e. trafficking as sex workers, sexual violence). Female workers in marginalized groups tend to be in double jeopardy: inside home they face increased oppression from male kin arising out of their own insecurity in a different milieu, and in the outer world they are more prone to exploitation as cheap labour.

Migrant Workers Residing in Pakistan

This section focuses on the group of migrant settlers of non-Pakistani origin who were compelled to migrate to Pakistan due to poverty or political conflicts in their home countries and since then have been residing in Pakistan.

The government's bias towards migrants is evident in its official discourse. Termed as 'illegal immigrants', this population is thought to be

"...burdening the country's already strained socio-economic infrastructure and adding to the crime rate"¹. Studies indicate that migrant labour (a component of the country's dynamic informal labour force) contributes more to the local economy than costs it, and according to media reports migrants are seldom found to be involved in hard crimes.

Migrant workers are concentrated in low-skilled, low-paid jobs in the services (domestic work, food and catering, hawking, waste management), fisheries and textile sectors, home-based manufacturing sector and in brick kilns.

Migrant workers confront discrimination at several levels on the basis of nationality, ethnicity or language. Lack of official documents do not only deprives refugee/migrant workers of the access to public utilities, it also makes them vulnerable to harassment and extortion by the police and other law enforcing agencies.

Though Pakistan is home to significant number of migrants and unprecedented number of refugees since more than three decades, it has not ratified the 1951 UN Convention Relating to the Status of Refugees or its 1967 Protocol that have set out the rights of the refugees and the responsibilities of the country that grants asylum to refugees. Pakistan has also not ratified the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families and neither the ILO Conventions related to migrants. The two major ILO conventions concerning migrant workers are the Migration for Employment Convention (Revised) (No. 97) of 1949 and the Migrant Workers (Supplementary Provisions) Convention (No. 143) of 1975.

Serious efforts at providing migrants/refugees with official status began with the promulgation of the National Database Registration Authority

Ordinance 2000 and the Foreigners (Amendment) Ordinance 2000 and subsequent establishment of National Database Registration Authority (NADRA) in 2000 and National Aliens Registration Authority (NARA) in 2001 under the Ministry of Interior. Registration of migrant settlers, including Afghan refugees², in Karachi was initiated by NARA in 2002, while registration of Afghan refugees began as late as in October 2006 by NADRA.

It is expected that the official documentation would lead to decline in harassment of migrant workers and refugees by the law-enforcing agencies though social bias and discrimination against migrant workers can only be tackled with a long-term integration policy aimed at educating both host and guest populations.

Afghan Refugees

There are more than 3 million Afghans living and working in Pakistan³. Of these, one million Afghans live in UNHCR-supported refugee camps in the border areas of NWFP and

Balochistan and the remaining are scattered in low-income settlements in the cities, mainly Peshawar and Quetta, surviving on casual labour under harsh conditions⁴. The largest concentration in Sindh, estimated at 50,000, lives in a refugee settlement at the outskirts of Karachi off Super Highway, whereas more than 157,000 Afghans have left Karachi in recent years with the assistance of UNHCR⁵.

The Afghans migrated in several waves starting with the Soviet invasion in 1979 and are recognized as refugees by the government due to border affinity, shared ethnicity and geo-political history. Around 300,000 Afghans entered Pakistan subsequent to the 11 September 2001 event and the US-NATO intrusion in Afghanistan⁶. Under a Tripartite Agreement signed in 2003 between the governments of Pakistan and Afghanistan and the U.N. High Commissioner for Refugees, UNHCR assisted over 2.7 million Afghans to return home from Pakistan between 2002 and 2005⁷. Despite repatriation of a significant proportion it is estimated that a large number will not return to Afghanistan due to several reasons.

The Afghan refugees did not have any legal status for more than two decades. Harassment of Afghan refugees by the law enforcing agencies escalated since 2004 with the advent of US-backed military operation in the Federally Administered Tribal Areas. In August 2005 the government decided to close the camps in the semi-autonomous tribal area in NWFP for security concerns. The announcement of the closures of the camps, the measures to restrict the movement of the refugees in Rawalpindi and Islamabad and the proposed December 2006 plan to mine and fence the border increased the anxiety and hardship of the refugees.

The National Database Registration Authority (NADRA) began registering Afghan refugees for the first time in October 2006. By December 2006, NADRA had registered 1.6 millions Afghans through 160 centres and issued Proof of Registration (PoR), or resident cards, with a validity of three years⁸. Meanwhile, National Aliens Registration Authority (NARA) had registered 16,740 Afghans in Karachi as aliens by December 2006 and issued them the Alien Registration Cards and Work Permit Cards.

With the exception of financially resourceful refugees who bought property and businesses in Pakistan and accessed legal documentation,

Afghan Waste-Picker

"I am a native of Balgham, Afghanistan, I used to tend cattle there. We owned 15 goats and 20 sheep. I have five brothers who used to have a milk business. Our parents have expired and amongst my siblings I am the youngest. We were living in our country rather happily when Russia's invasion destroyed the peace and fear and unrest took over everything. Then we brothers tried to get out of the country and with four of my brothers being married, we all came to Peshawar, Pakistan, through the Torkham route. We spent 12 years in Peshawar, where one of my brothers was a drivers and the others were labourers. I, being the youngest, did not work and ate for free. Then my brothers asked me to work, and so I started working as well. When I had a little bit saved up I thought why not go to Karachi and seek better opportunities. I worked as a laborer in Karachi for two years but then conditions got worse and there was not enough stable work available. One day I ran into some fellow Afghans in Lea Market and I asked them what kind of work they did. They told me about paper-picking and I decided to join. I collected scrap for about a month. When the man who sorted the scrap left the job one day, I asked the kabari if I could replace him. He accepted me and I started making Rs. 1800 a month. Two years later the kabari died and I had to manage the whole business; gradually I became the new owner. I used to think that the owner must be making a slot of money but I discovered that Rs. 400 goes towards paying bhatta to the police every month and the electricity bill costs Rs. 150." *Naseem Khan, 22 years, Lea Market,*

(Solid Waste Management, URC Karachi Series, 2001)

the majority of Afghan residing in the urban centres and in the camps eke out a living through daily wages either as construction labour, loaders, vendors, fruit-sellers, hawkers, or as rag-pickers. The majority of Afghan men and children living in katchi abadis in urban centres earn their living through the hazardous occupation of picking, sorting and recycling of solid waste. According to the Urban Resource Centre study, 'the activity is carried out by 21,000 waste-pickers most of whom are young Afghan boys'⁹.

The Afghans are resented by the local population for keeping the labour wages depressed and for allegedly burdening the fragile resource base.

The Aliens: Bengalis and other Nationalities

According to official data there are 3.35 million illegal immigrants in Pakistan¹⁰. Though the breakup of registered nationalities at NARA includes Afghans, it practically excludes the Afghan refugee population numbered at 3 mil-

lion (of them 1.5 million registered by NADRA). The NARA which began registering immigrants in 2002 had registered 94,552 migrants by the end of December, with Bangladeshis numbering at 73,107 out of the 76 nationalities registered by NADRA. The majority of migrant workers are concentrated in Karachi.

According to official estimates, there were about 1100,000 Bengalis and 200,000 Burmese living in Karachi, the two largest migrant communities in the country following Afghan refugees. Most of the Bengalis migrated to Pakistan during the mid 1970s and 1980s due to politico-economic turmoil in the newly established Bangladesh. The Burmese had emigrated earlier in the late 1960s and early 1970s due to hostile environment against Muslims in Burma.

Most of the Bengali immigrants in Karachi live in low-income settlements deprived of adequate public services and decent living conditions (i.e. Ziaul Haq Colony, Musa Colony, Machchar Colony, and Godhra) and are engaged in the fish-

Agriculture: Key Elements of the Bonded Labour Relationship

The bonded labour relationship in the agriculture sector in Sindh contains all the elements of exploitation that can potentially characterize such a relationship: long-term and heavy indebtedness; dependence on the employer for subsistence needs and services; restrictions on movement; violence or threats of violence; non-payment or excessively low wages; unpaid or obligatory labour of family members.

The inequality of negotiating position is another key element of the tenancy contract. One party is illiterate and has little or no bargaining power, little say in maintaining accounts and limited or no recourse to any official or informal enforcement mechanisms. The other party (or his representative) apportions the share of the agriculture production to the hari and transacts all business dealings, including the purchase of inputs, sale of produce and maintenance of accounts. The hari is often unaware of the net amount he owes the zamindar or is owed by him. Often the hari is not given his entire share of the produce at the time of the harvest but is gradually given it over the year. The landlord adopts this strategy unilaterally, partly to retain the hari and partly to regulate expenditures by the hari who is

often likely to use his share immediately and then demand and additional loan. This gradual release of his legitimate share of the agricultural produce further weakens the hari's position.

The hari's entire family is expected to provide labour, including women and children. The field study confirmed the contention that women are the worst sufferers of the bondage system. Women rise early in the morning to finish household chores and then work actively in the field. Compared to women from free households, hari women have higher fertility rates, due to lack of access to family planning and health services, and poor health indicators. Children are expected to undertake chores around the farm, (e.g., graze animals, collect water and firewood, etc.). when required, women also undertake work in the zamindar's household. The notion that the zamindars and their sons sexually abuse the women of tenant families is common. Indeed, most of the families seeking refuge in the camps in Hyderabad indicated that this was a principal reason for their decision to flee bondage. Such abuse is often exacerbated by violence or its threat.

—*Bonded Labour in Agriculture: A Rapid Assessment in Sindh and Balochistan, Special Action Programme to Combat Forced Labour*

eries, garments, carpet weaving, and home-based manufacturing or work as cooks, domestic servants or petty shop keepers.

Bonded Labour

Prevalence of forced labour arrangements—where the individual/family works and lives under debt bondage and conditions pre-determined by the employer—is high in agriculture and brick kiln sectors. Forced labour also afflict mining and quarrying, carpet weaving and domestic work but the cases are seldom highlighted due to isolated and atomized nature of work undertaken by the individual and not necessarily by the entire family.

Despite promulgation of the Bonded Labour System (Abolition) Act 1992 (followed by the 1995 Rules), and the mechanisms put in place under the National Policy and Plan of Action for the Abolition of Bonded Labour and Rehabilitation of Freed Bonded Labourers 2001, bonded labour remains widespread. Poor implementation of law and administrative procedures, and lack of political will of the state functionaries are cited as some of the reasons for continuation of this abusive, inhuman form of labour relations.

The overwhelming majority of bonded labour in the province of Sindh belongs to the low-caste Hindu communities. In other provinces low-caste Muslims and Christians comprise the majority of bonded labour. In a sample survey of 1000 households of released haris in camps in and around Hyderabad, Sindh, 843 households were Hindus¹¹.

Interventions

The law, though poorly implemented and confined to 'debt bondage rather than the broader category of force labour'¹², has played a pivotal role in interventions against bonded labour. Data of the last 15 years (1995-2005) reveal that a total of 8,350 bonded laborers were released throughout the country. The PILER research further indicates that the majority of bonded labourers (5,166) were freed by the joint efforts of the NGOs, judiciary and administration, whereas 563 were released through administrative intervention and 722 got their freedom through a combined judicial and administrative intervention¹³.

Rehabilitation of laborers freed from bondage remains an issue. The released workers take

Bonded Labour in Brick Kiln

Once any family member has worked as kiln labour for a while, the family can work nowhere else at their own discretion. If the person has separate khata, the exit option can be exercised if the debt is accepted by other family members and they appear capable of redeeming the debt through their own labour...

Debts are generally not forgiven upon incapacitation or death. A father or brother must accept the debt of a son or brother; a woman must assume the debt of a husband; and a male child must accept the debt of a father...

Kilns can close for short periods "after a season" or for other reasons. One aspect of bondage is permission or refusal to work elsewhere temporarily. Discretion rests entirely with the kiln-owner, and is available to "safe" labour. Other indebted labour must stay on-site, subsisting on further loans by the owner.

Measured as the intensity and frequency of violence, severity of bondage was clearly observed to be low. One can only speculate why. Perhaps, the risk of court action in a high pro-

file sector is a deterrent. Or more likely, owners consider violence as counter-productive as labour is easily available in a time of widespread unemployment and a stagnant construction sector. Owners may also realize that the costs or slacking by demoralized labour can be very high.

Of grave concern are the recent and continuing cases of kiln workers selling a kidney to redeem large debts. These cases were encountered in Northern Punjab, but news reports indicate that they also occur in other places in Punjab. In one family, it was a middle-aged man (as the single male adult labour); in another, it was a juvenile daughter-in-law (orphaned, but married into a large family) who had used a local hospital. In a third family, a juvenile daughter (from a family that had adult brothers in kiln labour) had gone to Lahore to arrange the sale of her kidney. Clearly, debt bondage can create immense psychological desperation that remains veiled in the easier focus on physical violence.

Unfree labour in Pakistan: Work, Debt and Bondage in Brick Kilns, PILER-ILO, 2004

Child Labour in Agriculture

Of nearly 218 million children engaged in child labor around the world, the vast majority—69 percent, or some 150 million—are working in agriculture. Child agricultural workers frequently work for long hours in scorching heat, haul heavy loads of produce, are exposed to toxic pesticides, and suffer high rates of injury from sharp knives and other dangerous tools. Their work is grueling and harsh, violating their rights to health, education, and protection from work that is hazardous or exploitative.

According to the ILO's new report on child labor, the number of children working in agriculture is nearly ten times that of children involved in factory work such as garment manufacturing, carpet-weaving, or soccer-ball stitching.

refuge in camps, or temporary shelters, provided by a number of NGOs, notably Human Rights Commission of Pakistan, National Rural Support Programme and Green Rural Development Organisation. At present there are several camps in and around Hyderabad (i.e., Sikanadarbad, Hosri, Udero Lal, Chaudhry Farm Baba Salahuddin, Zeal Pak, and Qadir Nagar) providing shelter to estimated 10,000 of freed labour from different provinces¹⁴.

Unemployment and underemployment is high in the camps and access to basic facilities minimal. Many find physically strenuous, low-paid work on daily wages in nearby cotton ginning factories, or seasonal work in sugar cane/cotton fields or end up as scavengers in solid waste management business. The NGOs, i.e. GRDO, help them access national identity cards, raise funds and facilitate self-help to construct modest abodes, while NRSP extends micro-credit, health, low-cost housing and educational facilities.

The Bonded Labour Fund created by the state in 2000 to be used for rehabilitation of freed labour remained largely unutilized. In September 2005, the Ministry of Labour, Manpower and Oversea Pakistanis approved three projects under the Bonded Labour Fund for the provision of low cost housing and legal aid to the freed labour living in the camps¹⁵. In April 2006, it was reported that Legal Aid Service Units had been set up under the Bonded Labour Fund and a toll free help line established at dis-

trict level for the bonded labour to have rapid access to legal services¹⁶.

A National Coalition against Bonded Labour was formed by civil society organizations during 2005 and formally launched in February 2006, to jointly work for elimination of bonded labour. PILER is a key member of the coalition.

The Human Rights Commission of Pakistan (HRCP) was the first civil society organization to effectively intervene in the late 1980s through the formation of its Task Force on Bonded Labour based in Hyderabad. The HRCP is reporting on bonded labour since the year 1990 in its annual report.

However, there is no comprehensive database and unified mechanism of monitoring and documentation of bonded labour at the national level.

Bonded Labour in Agriculture

Official figures indicate 1.5 million agricultural households living under debt¹⁷. Unofficial sources estimate 1.7 million haris live under debt bondage¹⁸. Bonded labour is most prevalent among sharecroppers in parts of Sindh and Punjab provinces.

The HRCP recorded release of 988 haris during 2006, mainly from districts Mirpurkhas and Sanghar. Of them the majority, 986, escaped on their own (and later facilitated by NGOs) and only 12 of the released haris were freed by the district administration¹⁹. According to national media²⁰ reports, majority of the freed labour belonged to the Hindu Bheel community. In the cases reported in the media, the landlords were named but there was no news of any action taken against them.

After the Supreme Court suo moto action, an interim challan against the landlord Abdul Rehman Marri was submitted in May 2006 with an order to arrest him and recover Manu Bheel's nine family members abducted in 1998 by the accused. His pre-arrest bail was cancelled and court ordered to forfeit his property. The accused, absconding for eight years courted arrest in July. The police had not succeeded in recovering Manu Bheel's family members by the end of 2006.

The HRCP notes that the 2002 ruling of the Sindh High Court to settle disputes between the landlords and haris over debt under the Sindh

Tenancy Act 1950 has led to decrease in the number of releases of bonded labour²¹. The ruling had dismissed petitions from 94 haris seeking freedom from bondage. The HRCP' petition filed against the ruling in 2002 is still pending before the Supreme Court.

Bonded Labour in Brick Kilns

Bonded labour is widespread in estimated 5,000 brick kilns in Punjab and around 1,000 kilns in the remaining three provinces²². Most of the brick kilns owners evade registration of their

facilitated by labour and human rights activists and sensitized judiciary.

An ugly form of exploitation—removal and sale of kidneys of bonded labour—continued in 2006. Two brick kiln workers of Lahore were deprived of their kidneys through surgery performed without their knowledge or consent²⁵.

Child Labour

Though child labour is on the decline globally²⁶, it has shown an increasing trend in Pakistan in



establishments under law to deprive workers of safeguards and legal rights. Greater awareness of denial of rights exists among brick kiln workers as a result of judicial intervention (i.e. Supreme Court 1989 decision, 1992 Act). Upholding of the 1992 Act by the Federal Shariat Court in November 2005 has given further impetus to the brick kiln workers and civil society actors to pursue implementation of the law (See Chapter 5 for details).

The HRCP recorded release of 642 bonded labourers from the kilns in Hafizabad, Sialkot, Lahore, Sharaqpur, Gujranwala, Sheikhpura and Mandi Bahauddin by the Lahore High Court during January to August 2005²³. During 2006, the media²⁴ reported release of 329 brick kiln workers (mostly in Punjab) in different cases

the last decade. The total number of children aged 10-14 years engaged in productive activities has risen from 2.12 million in 1996-97 to 3.06 million in 2005-06²⁷. Labour force participation rate in the age group 10-14 has also jumped during this period from 12.8 percent to 15.2 percent²⁸. The increase in child labour is linked to informalisation and the expanding low-paid, unprotected, home-based work that does not generate decent income and compel adults to supplement the household income through child labour. Another key factor related to child labour is lack of schooling. Over 6.4 million children are reported to be out of school in Pakistan²⁹.

Child labour was cited as one of the reasons—besides several other violations of labour laws—

by the Nike Inc. for cancellation of contract with a Sialkot-based hand-stitched soccer ball manufacturing company in November 2006. Nike Inc. had suspected use of child labour at the home-based work-centres in peripheral areas of Sialkot permitted by Nike for limited stitching. The move rendered 4000 workers jobless and affected several thousand families.

Pakistan ratified the UN Convention on the Rights of the Child in 1990 and the ILO Convention on the Worst Form of Child Labour (NO.182) in 2001. The ILO Minimum Age Convention (No.138) was finally ratified by the government in November 2006.

According to an ILO survey undertaken in 2006, there were 5,800 children working in Sialkot's surgical instrument industry—89 per cent as full time and the remaining 11 per cent part time while attending the school. The children's average work time is nine hours a day and their monthly income ranges between Rs780 and Rs1,733 per month³⁰.

The Labour Department, NWFP, noted in December 2006 that excluding the Federally Administered Tribal Areas, the province has one million child labourers. In a study undertaken in late 2005 by the Society for Empowering Human Resource in collaboration with Save the Children Sweden, child labour was found in Balochistan coal mines. In another survey about 10,000 children were found working in automobile garages in Faisalabad³¹. The rapid assessment studies undertaken by the Ministry of Labour in collaboration with ILO in 2004 had indicated high prevalence of child labour in the sectors of brick kilns, carpets, mining, glass bangles and domestic services—the sectors afflicted with bonded labour.

Efforts to combat child labour continued by the state—with the assistance of the ILO—and the civil society organizations. The list of 29 occupations declared hazardous for children under the Employment of Children Act 1991 was revised and notified in December 2006. Under the revised list 34 occupations and work processes are now banned for child labour.

The ILO International Programme on the Elimination of Child Labour (IPEC) initiated in Pakistan in 1994 continued in 2006. The ILO-IPEC National Time Bound Program is supporting the government to eliminate the Worst Form of Child Labour (WFCL) in accordance with ILO Convention 182. The time bound programme in the glass bangle sector (Hyderabad), deep sea

fishing (Gwadar), and the tanneries (Kasur) were launched in 2005³². The programme in the rag-picking was initiated in April 2006³³ and in surgical instruments (Sialkot) in May 2006³⁴. Another ILO-IPEC initiative for children who had worked earlier as foot ball stitchers in Sialkot was initiated in June 2006 in collaboration with the Federation of International Football Association.

The first ever nation national survey on child labour was carried out by the Federal Bureau of Statistics with the ILO support in 1996. The second national survey, planned by FBS in 2003-04, and expected to be launched in 2006 was not initiated during the year. The National Policy and the Plan of Action to Combat Child Labour formulated in 2000 remains to implemented by the provincial governments.

Child Labour and Segmented Labour Market

The 'nimble finger' factor argument has been used to contend that employers in certain industries prefer child labour hands as they are believed to be more dexterous and more productive. Studies conducted by the ILO, however, have argued that the prevalence of specific skills or specific dexterity does not cut much ice. In the industries for which this argument is being put forth, such as carpet weaving, diamond polishing and stitching of sports goods, adults and children work side by side. When some of the tasks are performed exclusively by children, the skills required are so minimal that child labour is clearly replaceable by (male or female) adult labour. Profit margins would drop only marginally if child labour were to be replaced by adult labour.

In the carpet and bangle industry, the difference in the production costs between adult labour and cheaper child labour has been calculated to be lower than 5 per cent. Under conditions of an excess supply of labour, which is usually the case in child labour-prone areas, one should expect employers to employ adults rather than children. The downward pressure on wages, which is bound to occur in an environment of a weak or non-existent collective bargaining power and of an abundant supply of (adult) labour, would ultimately lower adult wages to a level that is barely above the level of child wages.

Since this has not happened, the suggestion is that adult labourers, after all, do have a bargaining power, which keeps their wages and working conditions at somewhat higher levels than those for child labourers.

—G.K. Lieten, *Child Labour and Poverty: The Poverty of Analysis*



Labour Institutions

The institutions mandated to preserve and promote labour interests and regulate labour arrangements either by customary collective practices (trade unions/labour organizations/bilateral institutions) or by law (state bodies) play a crucial role in determining the status of workers. The following section presents a brief overview.

Formal Sector Labour Organisations Trade Unions

Trade unions are associations of workers formed and registered under Industrial Relations Ordinance under several restrictive conditions. Foremost is the condition that restricts its membership only to workers actually employed in the establishment or the industry concerned though it allows one-fourth of its executive body members to be from outside the establishment. Under the law trade union cannot operate unless it has been certified as Collective Bargaining Agent. The law also restricts registration of sector-based trade unions: workers of a particular sector, i.e. textile, employed at different establishments in different locations cannot form a single union.

The number and strength of the trade unions have diminished considerably over the years due to increasingly restrictive legislation imposed by the state. The reasons for weak and ineffective trade unionism—aside state intervention—listed by analysts, include internal fragmentation, lack of educated cadre and committed leadership, lack of input from enlightened elements of civil society, ethnic and sectarian divide in society, and globalization of economy.

Trade unionism, limited to the formal sector, has not been able to achieve the unifying force to give it a sense of direction and endow it with political power. It has been further weakened by the process of privatization since the last

decade. Unable to challenge privatization, the public sector unions, represented by the All Pakistan State Employee Workers' Action Committee, negotiated an agreement with the Minister of Manpower in 1991 securing some concessions in the privatized enterprises. The opportunity to challenge and resist the IRO 2002 as a formidable unified force was also lost by the trade unions. The continuing resistance put up by the trade unions through advocacy against the IRO 2002 at conferences, seminars, rallies and May Days commemorations has not made any impact.

Overview of Trade Unionism

At the time of the Partition in 1947 there were 55 registered trade unions in Sindh and Punjab, and 30 in East Pakistan, with around a total of 95,000 members, less than one-third of the total number of workers. Most of the trade unions were in the railways, post and telegraph departments, dockyards and cotton mills.

The unions affiliated with All India Trade Union Congress (affiliated to Communist Party of India) and Indian Federation of Labour (social reformists) formed the Pakistan Trade Union Federation (PTUF) and Pakistan Labour Federation (PLF) respectively. Though the unions that organized initially in Pakistan were political party-allied (PTUF allied with Communist Party of Pakistan), the '...labour occupied no part of the imagined community of the Muslim League...thus, the organized workers in Pakistan, unlike India, were not incorporated in post-independence development strategies and national ideologies or by Pakistani political parties¹.

Due to exclusion from the mainstream political and development discourse, demographic and social disruption of partition, and little industrialization in the areas, labour movement in Pakistan began as a weak force though workers

continue to form unions to struggle against unjust wages, poor working conditions and anti-labour legislation.

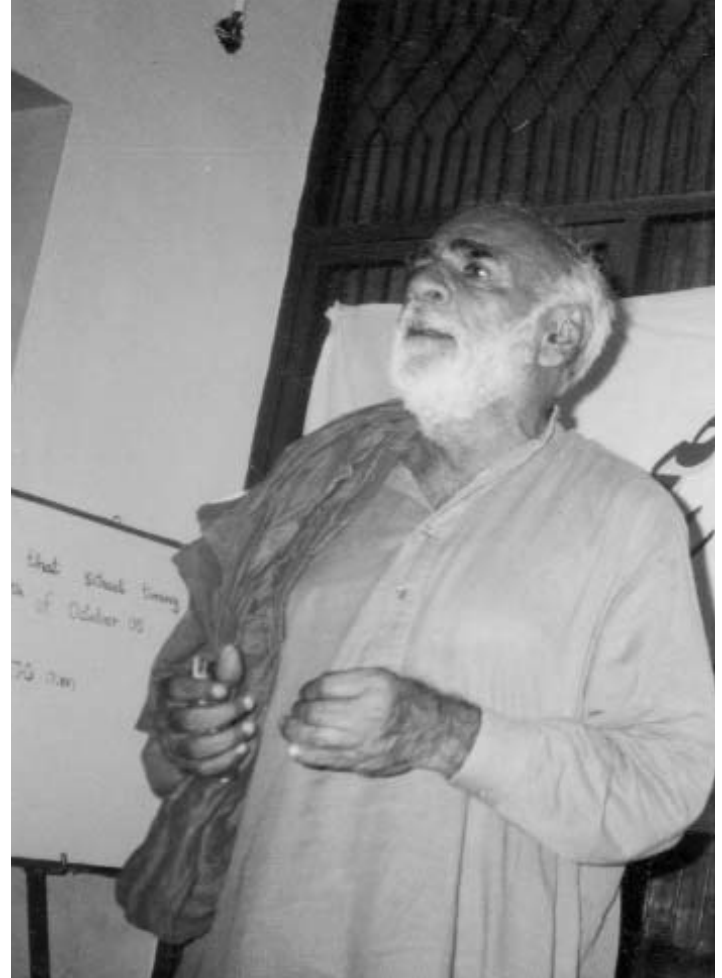
The All Pakistan Confederation of Labour (APCOL), created by the state in 1950 to control unionism, undermined the labour movement. The unions who resisted to affiliate with APCOL were harassed and suppressed. In 1951, the state implicated and imprisoned general secretary of PTUF (Faiz Ahmad Faiz) in the Rawalpindi Conspiracy Case. With the ban on Communist Party in 1954, the PTUF was made ineffective.

The labour struggle, however, gained momentum prior to the imposition of the first martial law. The workers' protests against low wages and anti-union attitudes of employers led by shop-floor leaders, marginalized the APCOL². The APCOL ceased to exist in 1962 and out of it three splinter groups emerged—Pakistan National Federation of Trade Unions (PNFTU), All Pakistan Federation of Trade Unions (APFTU)³ and All Pakistan Federation of Labour (APFOL) which got affiliated with the International Confederation of free Trade Unions (ICFTU). The ICFTU had expressed concern at this division and wanted affiliation with one representative body⁴. The three bodies finally decided to come together under the umbrella of Pakistan Workers Federation in July 1994 but the actual merger took place in 2004⁵. The federations remain affiliated in their individual capacities with the International Trade Unions Confederation (ITUC)⁶.

Three of the federations with socialist-leftist leanings but independent of political party affiliations—Pakistan Trade Union Federation (PTUF), All Pakistan Trade Union Federation (APTUF) and All Pakistan Trade Union Organization (APTUO)—are affiliated with the World Federation of Trade Unions, while All Pakistan Trade Union Congress (APTUC) has affiliation with the World Confederation of Labour. The Muttahida Labour Federation is not affiliated with any international body. In 1995 eight major labour federations formed the Pakistan Workers Confederation.

All these federations, though differ in their origin and ideologies, are similar...for their complete lack of democratic and participatory norms. There is hardly any process by which leaders can be held accountable to the rank and file, be it in polity matters or financial affairs¹⁷.

Another category of trade unions is of those affil-



iated with national political parties. National Labour Front, sponsored by Jamat-e-Islami, People's Labour Bureau of Pakistan People's Party, labour wing of Pakistan Muslim League and Pukhtun Labour Front of the Awami National Party. Trade unionism is also fractured through ethnicity line. Labour Division of MQM, labour wings of Jiay Sindh Movement and Sindh Awami Tehrik, and Balochistan Labour Federation focus only on workers of respective ethnicity⁸.

Informal Sector Workers' Organizations

As formation and registration of trade unions under the IRO 2002 is restricted to minuscule formal sector labor force, workers in the ever expanding informal economy form and register associations and organizations mainly under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961. Established on the pattern of traditional community-based, voluntary organizations, the workers' associations have come to play an important role in the labour movement. From hawkers and vendors to workers in small scale manufacturing and services sectors, the workers come together to pursue collective interests as workers and citizens.

Notable in terms of activism and struggles are the workers' organizations in brick kiln, power



looms, glass bangles and the fisheries sectors. Transport is another sector where workers have united in different associations and unions (See Box). The most powerful struggle to emerge in the current decade is of agricultural workers under umbrella of Anjuman Mazarain Punjab which is not registered under any Ordinance or Act.

State Institutions

At the federal level, the Ministry of Labor, Manpower and Overseas Pakistanis is responsible for labour and employment policy formulation, legislation, administration and implementation. Labor and employment are the subjects listed under the concurrent legislative list and the provincial governments are also mandated to formulate policies on their own. The Federal Ministry oversees 14 departments (related to labour welfare, human resource development and labour judiciary).

The Ministry of Labour is often bypassed when it comes to legislation. The recent example is the labour law changes through Finance Act 2006 formulated by the Finance Ministry. Currently the state is pursuing anti-workers policies both at the federal and provincial level. Punjab Industrial Policy 2003 has eliminated inspection of industries/workplaces by labour inspectors in violation of ILO convention 81 ratified by

Pakistan.

State Labour Welfare Institutions

Under Article 38 (b) and (e) of the Constitution, the state is to provide "...for all persons employed in the service of Pakistan or otherwise, social security by compulsory social insurance or other means; provide basic necessities of life such as food, clothing, housing, education and medical relief, for all such citizens, irrespective of sex, creed, caste, or race, as are permanently or temporarily unable to earn their livelihood on account of infirmity, sickness or unemployment..." The State began to take measures relating to welfare of workers in reaction to the growing labour discontent in the 1960s. Since then a number of schemes and institutions have been put in place but their scope, extent and effectiveness remain limited. Some of the important labour welfare institutions are listed below:

Employee Social Security Institution, established under the Provincial Employees Social Security Ordinance, 1965, is financed through a levy of 7 per cent of the wages of the workers up to Rs.5,000 payable by the employers of industrial and commercial establishments employing five or more workers. The registered workers are entitled to access medical facilities through a network of hospitals and dispensaries in the provinces. Cash benefits include sickness, injury, and maternity benefits, disablement gratuity and pension, and death grant.

The Punjab Employees Social Security Institution had registered about 550,000 workers while the Sindh Employees Social Security Institution had 345,000 workers⁹ under its cover by the end of 2005. The NWFP Employees Social Security Institution had reported 40,000 registered workers and the Balochistan ESSI had only 8,581 beneficiaries in 1999. The bulk of the institution's fund goes in to medical facilities. According to official sources, the Sindh Social Security Institution spent 70 per cent of its funds on medical facilities in the year 2006¹⁰.

The coverage of social security institutions remains abysmally low—less than 3 per cent of the total labour force in the organised sector¹¹. The facilities are grossly inadequate even for covered workers. Only 13 doctors catered to 25,000 industrial workers in Sialkot and Narowal districts in 2006¹².

The Workers' Welfare Fund established in

1971—mainly to provide housing for workers—is financed through 2 per cent levy from employers under the WWF Ordinance, 1971, and surplus amount from the Workers' Participation Fund under the Companies' Profits (Workers Participation) Act, 1968.

The collected revenue goes to the Federal Consolidated Fund and transferred later through budgetary allocation to the Workers' Welfare Fund under the Ministry of Labour. This result in restricted transfer and the bulk of the revenue remains static with the Finance Ministry. Even the amount that reaches the WWF is not utilized fully. The WWF had Rs. 13.65 5 billion in its fund by November 2005 and of this amount less than five per cent is actually spent on workers' welfare schemes¹³. The Fund resources, due to centralization, corruption and lack of political will to benefit the workers, goes into dubious activities, else are pocketed by fake beneficiaries, as is the case with labour housing complexes supposedly built for workers in various cities.

In June 2006, the grant under the Workers Welfare Fund (WWF) for worker's daughter's, or woman worker's own marriage was enhanced from Rs. 30,000 to Rs. 50,000. The grant to heirs in case of the death of a worker was increased to Rs 200,000 and the monthly scholarship for workers' children was raised to Rs 1,000.

However, the coverage of the Fund remains extremely low and among those workers who are covered, many are not aware of the current benefits and procedural mechanisms to gain access. Many of the informal sector units avoid registration of their workers to evade contribution.

Employees Old-age Benefits Institution (EOBI): The EOBI, established in 1976 as a federal institution to provide for old age pension and related benefits to only a small fraction of the country's working population, does not achieve full compliance even within this population. Its coverage has been further shrunk by the amendment in the EOBI Act under the Finance Act 2006 limiting its area of applicability to establishments employing more than 20 workers instead of 10 as it previously did.

In a 2006 report the EOBI was viewed by its stakeholders inside and outside government as '...deeply flawed organization that was not delivering benefits to those for whom contributions

had been paid'¹⁴.

The EOBI is financed through a levy of 6 percent paid by employers on worker's minimum wages and one percent contribution by workers. The number of insured persons registered, by the end of 2005—according to EOBI—was 2.4 million while the number of active insured persons was 1.4 million. The disparity between the number of workers on whose behalf contributions are collected and the number of records for active beneficiaries reflects poor efforts to improve the already insured records and to add new insured to the rolls. The disparity results in large annual accumulation of forfeitures. 'The current disjoint at the EOBI,' the report says, 'between those for whom contributions have been paid and those for whom records exist is, to say the least, very troublesome from both social perspective and financial accountability perspective.'¹⁵ The report notes a high administrative cost ratio of 25 per cent in EOBI. There have been frequent allegations of corruption and leakages in disbursement of money. In 2006 financial losses of over Rs 2.2 billion were detected in the audits of EOBI¹⁶.

State Tripartite Institutional Arrangements

The State recognizes, at theoretical level, that tripartism—consultation among workers, employers, state machinery—plays a crucial role in promoting harmonious industrial relations. The institutional arrangements for tripartism in place in Pakistan include:

- Pakistan Tripartite Labour Conference;
- Standing Labour Committee;
- Labour Advisory Board;
- National Committee on the Rights of the Child;
- Minimum Wage Council;
- National Steering Committee on Bonded Labour.

The State does include the relevant stakeholders in tripartite consultations facilitated by it. However, the frequency of consultation is irregular and sporadic. Besides, these institutional arrangements are not legally empowered to play any role in the enforcement of recommendations that come out of consultations. The recommendations are generally over ruled by different ministries. Pakistan Tripartite Labour Conference 2001 recommended to delete section 27-B in the Banking Companies Ordinance as it is in conflict with the ILO Convention 87. This recommendation was rejected by the

Ministry of Finance. The recommendation to include agriculture sector under the ambit of labour laws was rejected by the Government of Punjab, Agriculture Department¹⁷.

Labour Judiciary

Power and jurisdiction of labour judicial bodies—Labour Courts at the provincial level and the National Industrial Relations Commission and Federal Services Tribunal at the federal level—stand considerably curtailed under restrictive labour legislation and the IRO 2002.

This legal position was affirmed by the Supreme Court in a judgment in January 2006 on 600 appeals filed by the employees of several public sector corporations (i.e. Pakistan Railways, WAPDA, Sui Southern Gas Company, National Bank of Pakistan, Pakistan International Airlines Corporation, State Life Insurance, United Bank Limited, Pakistan Telecommunication Company) against a decision of the Federal Service Tribunal that rejected their petitions for rights and entitlements as civil servants. The Supreme Court held that the appellants were not civil servants as defined in the 1997 amended Section 2-1(b) of the Civil Servants Act, 1973¹⁸.

Hundreds of public sector employees whose petitions were rejected in recent years by the labour courts, moved the high courts seeking redressal of grievances. After the abolition of Labour Appellate Tribunal under IRO 2002, the high courts are empowered under Article 48 of the IRO 2002 to adjudicate appeals—through appellate benches—of aggrieved workers against the decision of the labour courts. Labour courts have jurisdiction under Industrial Relations 2002, West Pakistan Industrial & Commercial Establishment (Standing Ordinance) 1968 and appellate jurisdiction under the Payment of Wages Act 1936.

The IRO 2002 has also barred sacked/retrrenched workers to seek relief from the National Industrial Relations Commission (NIRC). Previously the workers could file a case with the NIRC and remain in the job until adjudication of their claims.

Besides limited jurisdiction and power, labour judiciary is marred with serious issues of governance. According to a survey of labour courts in Karachi, Sukkur, Lahore, Faisalabad, Peshawar and Quetta—carried out by PILER in 2005—on average the judges were not adjudicating even

one case per day¹⁹. Most courts suffer from staff shortage, poor equipment, and inadequate physical infrastructure. Judges conduct hearings and deliver decisions in their chambers rather in open courts, in violation of section 47 of IRO 2002. The courts usually take 2-5 years to decide the cases, contravening sub-section 3 of section 46, IRO 2002, which stipulates that the labour court "...shall give a decision within seven days from the date of the matter being brought before it..."

The session and district judges are appointed as presiding officers to the labour courts but often they are assigned additional charges. The Presiding officers are frequently transferred. Often the posts remain vacant.

The office of the Federal Services Tribunal remained without a chairman for several months in early 2005 when the former Sindh High Court judge relinquished charge on com-

Labour Organization in Road Transport Sector

The road transport workers have been organizing themselves in to groups since late 1970s on the pattern of community-based, non-profit organizations. The workers involved with specific modes of transport (truck, bus, taxi, rickshaw, donkey-carts, etc.) mobilize co-workers locally around issues confronted in daily work routine. Dynamic leadership-comprising activists-workers who are well-informed on governance issues, national and provincial legislation and ground realities, have better communications/negotiation skills and networking with resource organizations/government offices-plays an important role in organizations that have collective bargaining status.

Though the transport workers' networks, or associations, are membership-based, they vary in size, longevity, institutionalization, and the degree of success. The active associations are those that adhere to the constitution, hold regular elections, stick to their objectives, interact with other civil society organizations and learn strategic tactics to deal and dialogue with other stakeholders. By 2005, all major, and most of the intermediary, cities have had each a number of transport workers' associations or unions. In the city of Karachi there are numerous informal sector associations in the transport sector, representing informal transport workers/operators, who "...not only act as a powerful bargaining force but in case of riots in the city, they can use their 'muscle' to defend their interests". The unions/federations with larger membership have recognition and credibility and their office bearers are invited by relevant state departments for dialogue and consultation.

pletion of his tenure²⁰. During this period, the Tribunal in Islamabad and its benches in Lahore and Karachi became dysfunctional and the work on 15,000 pending cases and incoming new cases remained suspended.

Workers-Employers Bilateral Council of Pakistan (WEBCOP)

Trade liberalization in recent years has led to realization by industrialists that the competitive edge in production is achieved only through skilled, stable and empowered workforce. In view of the emerging need for social dialogue among stakeholders, the formal sector employers took the lead in the formation of a bilateral institution of employers and workers in Pakistan in 2000.

The Workers Employers Bilateral Council of Pakistan (WEBCOP) represents employers' federation and all major trade union federations and confederations, and aims to '...to meet the challenges of change to ensure industrial growth, employment, prosperity, joy and happiness with equal opportunity to all, respecting each other's needs...' ²¹. The initiative was acknowledged by the ILO as an effective move '...to overcome conflict and nurture cooperative means of addressing industrial problems in the face of globalization.' ²²

The MoU of the Council lists 17 objectives and of these only two (d & g) refer to workers rights and benefits. The emphasis is on 'employment generation', 'speedy industrialisation' and 'sound industrial relations' ²³. Over the years the WEBCOB has not proved itself of any real consequence to workers as according to a media report WEBCOP '...had been so structured as to give a greater leverage to the employers' representatives' ²⁴.

The WEBCOP provides a platform for dialogue on labour legislation, among other issues. The Trade Union Action Committee and the WEBCOP have suggested changes to the IRO 2002 and are lobbying with state officials for the adoption of the new draft. The WEBCOP successfully liaise with the Skill Development Council to arrange trainings for skill enhancement of workers of the formal sector units.

The WEBCOP—jointly with the Alliance Against Sexual Harassment—helps promote adoption of the Code of Conduct for Gender Justice at the Workplace by formal sector units and corporations and confers Recognition Award for Gender-Sensitive Management who follow the Code. ■

Notes

Introduction

1. ILO Report, Decent Work
2. Amartya Sen, *Development as Freedom*, 1999, Oxford University Press, Delhi.
3. *Medium Term Development Framework, 2005-10*, Planning Commission, Government of Pakistan.
4. *Annual Report 2005*, Privatization Commission, Government of Pakistan, <http://www.privatisation.gov.pk>
5. Source: <http://www.privatisation.gov.pk>
6. *Pakistan Social and Living Standard Measurement (PSLM) Survey 2005*.
7. *State Bank of Pakistan Annual Report 2005*.
8. *Pakistan Labour Force Survey 2004-05*.
9. *Pakistan Labour Force Survey 2005-06*.
10. Ibid.
11. Source: *Pakistan Labour Force Survey 2005-06*.
12. Younis Iqbal, General Secretary Anjuman-i-Mazara-in Punjab, in an interview.

Labour Legislation and Policy

1. *Labour Inspection Policy* (Second Draft), Labour and Manpower Division, Nov. 2005.
2. ILO NATLEX, <http://www.ilo.org/dyn/natlex/natlex>
3. *Report of the Commission for Consolidation, Simplification and Rationalization of Labour Laws*, Labour Division, GoP, September 2000.
4. Ibid.
5. Draft Employment and Services Contract Bill 2006, http://www.pakistan.gov.pk/divisions/labourdivision/media/Draft_Employment_and_Service_Conditions_Bill_2006.doc.
6. *Federal Court Act Bill 2005*, Policy Dialogues, LEAD Pakistan http://www.lead.org.pk/all_attach12/SHD/Paper%20on%20Federal%20Courts%20Act%202004.
7. *Establishment of the Federal Court*, Report No. 68, www.ljcp.gov.pk/reports/Rep%2068.doc
8. Daily Dawn 25 July 2005.
9. IRO 2002.

Status of Labour

1. Source: *Pakistan Economic Survey 2005-06*.
2. *Labour Force Survey 2005-06*.
3. Source: *Labour Force Surveys 2003-04 & 2005-06*.
4. *Pakistan Economic Survey 2005-06*, Economic Advisor's Wing, Finance Division, GoP, Islamabad.
5. Ibid.
6. *Pakistan Labour Force Survey 2005-06*.
7. Source: Ibid.
8. *Pakistan Agricultural Census 2000*.
9. *Household Integrated Economic Survey 2004-05*, <http://www.statpak.gov.pk/depts/fbs>

10. Ibid.
11. *Pakistan Economic Survey 2005-06*.
12. <http://www.finance.gov.pk/survey/chapters/02-Agriculture.PDF>
13. <http://www.fao.org/fi/fcp/en/PAK/BODY.HTM>
14. *Labour Force Survey 1990-991*
15. *Working Conditions of the Agricultural Labour in Punjab*, A Survey Report, 2002, National Commission for Justice and Peace
16. *Are Work Conditions Decent? A Rapid Assessment Survey*, 2002, PILER.
17. PILER Study.
18. According to Pakistan Economic Survey 2005-06, 23.9 per cent, or 36.45 million population living below the poverty line in 2004-05.
19. M. Javed Iqbal, *Contractualisation of Formal Labour in South Asia: A Case Study of Pakistan*, International Journal of South Asian Affairs, vol. 21, No.1, Jan 2006
20. Abdur Razzaq, President Mutehida Labour Union Swat, in his presentation in the National Convention for Textile Sector Workers, 1-2 Sept. 2005, at PILER Centre, Karachi.
21. *Mazdoor Huqooq*, Food Edition, Vol. 1, Issue N.27, 18-24 June, 2005, PILER
22. *Mazdoor Huqooq*, Construction Edition, Vol. 1, Issue 22, May 7-15, 2005, PILER
23. *Mazdoor Huqooq*, Construction Edition, Vol. 1, Issue N.18, April 9-15, 2005, PILER.
24. *Labour Protection Policy 2005*, 3rd Draft, Ministry of Labour, Manpower and Overseas Pakistanis, Islamabad.
25. *Pakistan Labour Force Survey Oct-Dec. 2005*.
26. Ibid.
27. *Are Working Conditions Decent? Rapid Assessment Survey 2002*, PILER.
28. *Pakistan Statistical year Book 2005*
29. Source: Ibid.
30. *Social Protection*, 2003 Report, ILO.
31. Ibid.
32. Drèze, J. and Sen, A. 1991. 'Public action for social security: Foundations and strategy', in E. Ahmad, J. Drèze, J. Hills and A. Sen (eds.): *Social security in developing countries* (Oxford, Clarendon Press).
33. *Economic Security for a Better World*, 2004, ILO
34. *Decent Work and the Informal Economy*, International Labour Conference, 90th Session 2002, Report VI, ILO, Geneva.
35. 'Where Does WPPF Money Go?', Afshan Sabohi, *Dawn*, 14 November 2005
36. *Pakistan Statistical Year Book 2005*.
37. *Mazdoor Huqooq*, Food Edition, 18-24 June, 2005
38. *Mazdoor Huqooq*, Food Edition, 30 April- 6May, 2005
39. *Mazdoor Huqooq*, Textile Edition, 1-5 Sept, 2005
40. Ibid.
41. *Mazdoor Huqooq*, Engineering Edition, 10 Aug-13 Sept, 2005.

Women in Labour Force

1. *Human Development Report 2006*, United Nations Development Programme.
2. *Medium Term Development Framework 2005-10*, Planning Commission, GoP.
3. In the LFS 2005-06, sex ratio is 105.
4. *Pakistan Labour Force Survey 2003-04*.
5. *Medium Term Development Framework 2005-10*.
6. In India, the Supreme Court handed down a ruling that included guidelines and norms prohibiting sexual harassment at workplace. Reference in the ILO report *Time for Equality at Work*, 2003.
7. *Bridging the Gender Gap: Opportunities and Challenges*, Pakistan Country Gender Assessment 2005, World Bank,
8. Labour Courts Survey, 2005, PILER.
9. *Labour Force Survey 1990-91*
10. *Labour Force Survey 2005-06*.
11. *Labour Force Survey 2005-06*
12. Source: Ibid.

13. A. Sayeed & G.Khattak (Eds) *Women's Work and Empowerment Issues in an Era of Economic Liberalisation*, PILER, Karachi, 2001.
14. Ibid.
15. LFS 2005-06.
16. F. Parveen & K. Ali, *Research in Action: Organising Factory Women Factory Workers in Pakistan*, Al-Mushir, vol. 35, No.1 Spring 1993, Karachi.
17. *Pakistan Statistical Yearbook 2005*, Government of Pakistan.
18. *Medium Term Development Framework 2005-10*, Planning Commission, GoP.
19. *State Bank of Pakistan Annual Report 2004-05*.
20. *Situation Analysis on Sexual Harassment at the Work Place*, 2001, AASHA (Alliance Against Sexual Harassment at Work Place), Pakistan.
21. *Home Based Women Workers in Pakistan, 2005*, National Commission on the Status of Women.
22. *Pakistan Labour Force Survey 2005-06*.
23. Ibid.
24. *Home Based Women Workers in Pakistan, 2005*, National Commission on the Status of Women.
25. Khan, Khattak & Kazmi, *Hazardous Home-based, Sub-Contracted Work: A Study of Multiple Tiered Exploitation*, 2005, SDPI & Oxford University Press, Karachi.
26. *Pakistan Economic Survey 2005-06*.
27. The United States International Trade Commission (USITC), 2004.
28. Karin Astrid Siegmann, 'The Agreement on Textiles and Clothing: Potential effects on gender equality in Pakistan, 2004,' in *Transforming Institutions of Power: Towards Gender Responsive Governance*, Rozan, Islamabad.
29. Ibid.
30. *Subcontracting Chain in Garment Industry of Pakistan*, 2002, Working Women's Organisation, <http://www.poptel.org.uk.women>

Anti-Labour Actions and Workers' Struggles

1. <http://www.privatisation.gov.pk>
2. www.edb.gov.pk/Corporations/STEEL/Pak%20Steel
3. Mian Abdul Qayyum, Chairman Labour Quami Movement, Faisalabad, in an interview.

Marginalized: Migrant Labour, Bonded Labour & Child Labour

1. GoP Ministry of Interior, <http://www.pakistan.gov.pk/divisions>
2. NARA subsequently stopped registering Afghan refugees.
3. As per census of Afghan nationals carried out in 2005 by the Pakistan Population Census Organisation in collaboration with the UNCHR, <http://www.nadra.gov.pk/site/351/>
4. <http://www.unhcr.org.pk/about.html>
5. <http://www.onlinenews.com.pk>
6. Ibid.
7. Ibid.
8. Associated Press of Pakistan, <http://www.app.com.pk>
9. Aquila Ismail, (Ed), *Solid Waste Management*, 2001, URC Series, City Press, Karachi.
10. GoP Ministry of Interior, <http://www.pakistan.gov.pk/divisions>
11. PILER sample survey of released bonded haris in camps around Hyderabad, July 2000.
12. E. Ercelawn & K.Ali, *Mitigation and Abolition of Bonded Labour: Policy, Law & Economy in Pakistan*, 2002, PILER
13. Data based on media report and HRCP annual reports.
14. Z. Shah, *Analysis of Interventions in Bonded Labour in Pakistan*, 2005, PILER
15. Ibid.
16. *Dawn*, September 22, 2005.
17. *Dawn*, April 27, 2007
18. *Pakistan Agricultural Census 2000*
19. *State of Human Rights in Pakistan*, 2006, HRCP
20. Ibid.
21. *Daily Dawn & The News*

22. *State of Human Rights in Pakistan 2006*, HRCP.
23. *Rapid Assessments Studies of Bonded Labour in Different Sectors in Pakistan*, Ministry of Labour & ILO, 2004
24. *State of Human Rights in Pakistan, 2005*, HRCP
25. *Daily Dawn and The News*
26. *Daily Dawn*, 27 July 2006
27. *The End of Child Labour: Within Reach*, ILO, 2006.
28. Sources: Pakistan Labour Force Surveys 1996-97 and 2005-06
29. Labour Force Surveys 1996-97 and 2005-06.
30. EFA Global Monitoring Report 2007: Strong Foundations: Early Childhood Care and Education
31. *Daily Dawn*, 02 Oct 2006.
32. *The State of Pakistan's Children 2006*, SPARC, Islamabad.
33. Ibid.
34. *State of Human Rights in Pakistan 2006*, HRCP.
35. *Daily Dawn*, 26 May 2006

Labour Institutions

1. C. Candland, 'The Political Element in Economic Reform: Labour Institutions and Privatization Patterns in South Asia,' in *Privatization and Labour: Responses and consequences in Global Perspective*, Eds, M.P.Posusney and L.J.Cook, 1999, Edward Elgar, UK &US.
2. C. Amjad-Ali, 'Relative Stagnation: Pakistan's Labour Movement', in *'Globalization and the Third World Union: The Challenge of Rapid Economic Change'*, edited by Henk Thomas, 1995, Zed Books, London.
3. C. Amjad-Ali, Charles, Evaluation: *Trade Union Co-Financing Programme*, Country Study Pakistani, undated, unpublished document.
4. J. F. Harper, (ed.), *Trade Unions of the World*, 1987, Longman
5. http://www.pwf.org.pk/pwf_structure.htm
6. ITUC was formed on 1 November 2006 out of the merger of the International Confederation of Free Trade Unions (ICFTU) and the World Confederation of Labour (WCL).
7. C. Amjad-Ali, Relative 'Stagnation: Pakistan's labour Movement', in *Globalization and Third World Trade Unions*, Ed. Hank Thomas, 1995, Zed Books, London.
8. Ibid.
9. *Daily Dawn*, 27 Sept 2006.
10. *Daily Times*, 16 March, 2006.
11. *Strengthening Pension, Insurance and Saving Systems, Contract Package A, Component 1: Reform of Retirement Benefit System in Pakistan*, The Aries Group, LTD. USA, May 2006
12. *Daily Dawn*, 16 July 2006.
13. *Daily Dawn*, 14 November 2005, Where Does WFFP Money Goes?
14. *Strengthening Pension, Insurance and Saving Systems, Contract Package A, Component 1: Reform of Retirement Benefit System in Pakistan*, The Aries Group, LTD. USA, May 2006
15. Ibid.
16. *Daily Dawn*, 9 October 2006.
17. *Daily Dawn*, 16, January 2007
18. Labour Courts Survey 2005, PILER, unpublished document.
19. *Daily Times*, 18 Feb 2005.
20. Ibid.
21. *WEBCOP: Partnership for Peace, Productivity, Prosperity*, Secretariat, Skill Development Council, Karachi.
22. *Organising for Social Justice*, ILO 2004 Report
23. <http://www.webcop.org.pk/maa.htm>
24. *Daily Dawn*, 16 May 2005.