

STATUS OF LABOUR RIGHTS IN PAKISTAN 2016



PAKISTAN INSTITUTE OF LABOUR EDUCATION & RESEARCH

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Foreword

Though our society is moving from oral culture to written culture, transition is uneven and riddled with gaps. In recent years the state has struggled to expedite documentation in finance and banking. In the social sector, documentation of education by non-state actors has flourished with a number of surveys, research and data analyses, spurred by genuine concerns and sorrows felt by society at being so far behind in achieving universal literacy. Sadly, the world of work remains poorly documented despite labour's pivotal position in the production of goods and services, and its role in economic growth and development.

Timely documentation help decision makers develop informed policies aimed at economic and social progress. Documentation facilitates understanding of social behavior, discrimination and biases and can be used to correct social anomalies and unjust practices.

The PILER 2016 report on the Status of Labour Rights, sixth in the series, based on the secondary research, aims to present an overview of the status of labour and the issues in the year impacting labour directly or indirectly.

PILER hopes that in the years to come, not only official data gathering on labour would be improved and strengthened, the country's academia and research institutes would give more attention to labour issues.



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May 2016

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1. Overview of the Year 2016

National Context

Pakistan's sustained economic growth in 2016 brought the country in the ranks of emerging markets. In the MSCI index, the country was upgraded from a frontier economy to an emerging economy.¹ The outcomes of the promising scenario were not apparent on the ground though. The pace of economic activities was faster, dominated by big infrastructure and energy development projects. At the micro-level the country hardly met any standard of a developed market. Even the largest hub of the country's commerce and trade and the port city Karachi's infrastructure crumbled and citizens struggled with daily living and kept the economy going.

In contrast to growth in economic development, Pakistan remained a country with low human development and displayed significant deficits in education, health and other indicators of social and personal well-being of its citizens. The mean years of schooling for population stood at pathetic 4.7 years.²

The government focused on 'energy, economic stability, education and elimination of extremism'.³ However, national discourse on economic development was dominated by China Pakistan Economic Corridor (CPEC). Media dubbed 2016 as the 'Year of the CPEC' as several infrastructure and energy projects under CPEC were launched.⁴ The controversy surrounding the routes of the Corridor subsided early in the year with the consensus reached

among the federal and the disgruntled provincial leadership of Balochistan and Kyber Pakhtunkhwa.

On the political front, the country was scandalised by the massive Panama Papers leaks in April that exposed links of the family of Prime Minister Nawaz Sharif with offshore tax havens. The opposition parties called for an inquiry into the allegations of corruption and money laundering. The Pakistan Tehreek-e-Insaf (PTI) leader Imran Khan asked the National Accountability Bureau to investigate the Sharif family finances and called for his resignation. In October, Khan filed a case against Nawaz Sharif in the Supreme Court. The case was adjourned in December to begin fresh hearing by a larger bench in January 2017.

Pakistan adopted the Sustainable Development Goals (SDGs) and the 2030 Agenda in February 2016 to complete the MDG's unfinished development goals. After its failure to achieve the MDGs, the government finally displayed some semblance of political will and released for the first time data on multi-dimensional poverty. According to Pakistan's official Multidimensional Poverty Index, 39 percent of Pakistanis live in multidimensional poverty. The index was released by the Ministry of Planning, Development and Reform in June 2016. The MPI report presented "...a bleak socio-economic picture of the poor... Highest poverty rates were observed in Baluchistan and FATA, followed by Sindh and KPK, with lowest

¹ <https://www.thenews.com.pk/print/128289-MSCI-has-included-Pakistan-Stock-Exchange-in-emerging-market-index>

² Human Development Report 2015, UNDP, http://hdr.undp.org/sites/default/files/2015_human_development_report.pdf

³ Pakistan Economic Survey 2015-2016

⁴ <http://www.dawn.com/news/1305582>

in Punjab.”⁵Of the 15 indicators that comprise Pakistan’s multi-dimensional poverty index, the top most attributing factor identified was education deficit.

It is not just poverty, but inequality in income and assets that is plaguing the economy. According to the Planning Commission, Pakistan’s richest 20 percent now consume seven times more than the poorest 20 percent. Policy makers in Pakistan acknowledged in the 2016 report that “...the existing inequalities are having a powerful corrosive effect on the economic, social and environmental dimensions of development”.⁶

The year witnessed improved security situation compared to previous years. There was a 27 percent decline in number of attacks and resultant deaths in 2016.⁷Yet, more than 970 people were killed and 1,844 injured in 513 militant attacks during the year.⁸The law and order situation in the city of 20 millions improved due to the on-going Karachi Operation but there was no decline in street crimes. The controversial Pakistan Protection Act 2014 lapsed in July 2016 and the government decided not to re-enact the law. The National Counter Terrorism Authority established the Steering Committee to formulate National Counter Extremism Policy.

Economic Overview

The pace of economic development in the year 2016 was sustained with a GDP growth at 4.7 per cent and a low inflation at 2.79 per cent.⁹ The factors for

economic activity included high remittances from Pakistani workers abroad, low oil prices, tight fiscal policy and improved revenue collection. Industrial sector grew at 6.8 per cent dominated by an upsurge in the large-scale manufacturing and construction.¹⁰Public sector spending in physical infrastructure and energy development projects increased with outcomes more visible in Punjab than in other provinces. Construction and mining and quarrying, two components of industrial sector, recorded higher growth at 13.10 and 6.80 per cent respectively. Benefits of higher growth in industrial sector, however, did not translate in to better wages or improved health and safety for workers.

Textile industry, a labour intensive sector, registered a decline in 2016. High cost of doing business, energy shortage and inadequate availability of cotton were the major factors. According to All Pakistan Textile Mills Association, about 100 factories shut down and around 500,000 workers lost jobs in 2015 and 2016.¹¹

The alarming aspect was ‘a major setback in agriculture growth on account of massive decline in cotton production.’¹²Agriculture sector, which employs the largest chunk of country’s labour force--42.3 per cent--suffered negative growth (-0.19 per cent) due to decline in cotton production. The causes for continually poor harvests cited by agriculturists include poor seed provision system and inadequate irrigation water supply. The affected farmers asked the federal government

⁵<http://www.pk.undp.org/content/pakistan/en/home/presscenter/pressreleases/2016/06/20/pakistan-s-new-poverty-index-reveals-that-4-out-of-10-pakistanis-live-in-multidimensional-poverty.html>

⁶ Newsletter Vol.7, Issue 1, Jan 2016, Planning Commission, Ministry of Planning, Development and Reform, <http://pc.gov.pk/uploads//newsletter//Newsletter-January-2016.pdf>

⁷ Annual Security Assessment Report 2016, Pakistan Institute for Conflict and Security Studies, <https://www.picss.net/picss-annual-report>

⁸ Ibid.

⁹ Pakistan Economic Survey 2015-2016

¹⁰ Ibid.

¹¹ <https://www.bloomberg.com/news/articles/2016-09-20/a-deserted-karachi-factory-signals-pakistan-s-textile-crisis>

¹² Ibid.

to declare an ‘agriculture emergency’ as commodity prices had been at their lowest for the past three years making crop farming a losing enterprise.¹³ The long term impact of crop failures on the households of cotton-producing districts of southern Punjab and northern Sindh is yet to be documented.

There were some indications of the government’s concern for declining agriculture. In March, the Ministry of National Food Security and Research was directed to initiate a consultative process with provincial governments and other stakeholders to formulate a joint strategy.¹⁴ Relief package for small farmers comprising direct cash support and provision of soft agriculture loans initiated in 2015 was extended up to June 2016. The Punjab government held a conference on agriculture in March to define the future directions of the sector. Punjab also held cotton crop group management meeting to discuss the crisis in cotton production.¹⁵

Agriculture in Pakistan is on decline since the last two decades due to lack of robust policy and low priority accorded to the sector. Repercussions of state neglect to agriculture include declining income and poverty of rural households, food insecurity, malnutrition and stunting of growth among children, increasing rural to urban influx and congestion and mayhem in large cities.

War against Terrorism

The year 2016 saw diminishing militant attacks and relative stability and peace in the country, including the Federally

Administered Tribal Areas. Operation Zarb-Azb, launched in June 2014, brought some sense of safety among the people after two and a half years in December 2016. According to the Pakistan Army “...the final destination is yet to be traversed...This phase must be consolidated with implementation of National Action Plan (NAP) – the steps that the civil government must accomplish. Without this, military operations can be viewed as temporary relief only.”¹⁶

According to security reports, over all terrorism decreased from 40-45 per cent in the country in 2016.¹⁷ The South Asian Terrorism Portal reported a decline of 27 percent in number of attacks and resultant deaths recorded in the year. Average militant attacks per month dropped to 42 from 161 before Operation Zarb-e-Azb was started. Civilian fatalities had decreased to 74 per cent by July 2016. Still, more than 970 people were killed and 1,844 others were injured in 513 militant attacks during the year.¹⁸

The on-going Rangers-led Karachi Operation succeeded in considerably diminishing the capabilities of militant groups by the end of 2016 but the menace of sectarian violence could not be rooted out and the year witnessed a number of sectarian killings and violence against religious minorities.¹⁹ The Rangers were able to curtail the Lyari gang wars to quite an extent in 2016 though street crimes continued unabated in the mega city.

¹³ <http://www.dawn.com/news/1258554>

¹⁴ <http://www.dawn.com/news/1258554>

¹⁵ <http://www.agripunjab.gov.pk/events>

¹⁶ Hilal, Pakistan Armed Forces Magazine, <http://hilal.gov.pk/index.php/layouts/item/2507-secure-borders-for-a-secure-nation>

¹⁷ <http://nation.com.pk/national/06-Sep-2016/operation-zarb-e-azb-two-years-of-success>

¹⁸ <http://www.satp.org/satporgtp/countries/pakistan/>

¹⁹ <https://www.picss.net/picss-annual-report>

Meanwhile, return and rehabilitation of internally displaced persons (IDPs), affected by War-on-Terror continued in the year 2016. By October 86,323 families returned to various regions in FATA and KPK. ²⁰According to a World Food Programme report 13,399 returnees were assisted in North and South Waziristan in the restoration of agricultural land and irrigation channels, kitchen gardens, and animal husbandry as part of the return assistance. ²¹In December the IDPs of Khurram Agency staged a protest outside Peshawar Press Club demanding the provision of financial support to each returning family. ²²No comprehensive report on rehabilitation activities and projects for the returning population for the year 2016 was available.

Mainstreaming FATA

A historical anomaly and national issue linked to the War-on-Terror has been the marginalization and alienation of the FATA people. The country has paid a huge price for not integrating FATA in the national mainstream. The government has ruled it under the colonial era Frontier Crimes Regulations Act turning the tribal region into a haven for militancy and extremism. Military operations under the US-led War-on-Terror in FATA began in March 2004 resulting in huge losses of human lives, destruction of livelihoods and massive displacement of civilians. It was after more than a decade of this War-on-Terror, the political elite and the government finally decided to induct FATA and its people in to the national fold.

In 2016, the FATA reforms were accorded priority under the National Action Plan against terrorism. The government constituted the FATA Reforms Committee and held consultations with FATA stakeholders including tribal leaders, FATA parliamentarians, youth, lawyers and political parties. The Committee submitted its report in August 2016 and proposed critical reforms in FATA 'best achieved by its integration with Khyber Pakhtunkhwa'. The Committee recommended measures for rehabilitation and reconstruction, socio-economic development, local bodies election, legal reforms and land settlement. ²³

Human Development Indicators

The key human development indicators, including health and education, are measured in alternate years under the Pakistan Social and Living Standards Measurement (PSLM) survey. The latest survey in this series, PSLM 2014-2015, was released in March 2016 which revealed an alarming trend in education. The literacy rate was stagnant at 60 per cent and so was adult literacy rate (15 years & above) at 57 percent during the period 2014-15 and 2012-13. Pakistan has 24 million out of school children, adolescents and youth, according to a 2016 Unesco report. ²⁴

Most disturbing was the trend of falling Gross Enrolment Ratio (GER) for primary schools. At the national level GER decreased to 91 percent in 2014-15 from 92 percent in 2012-13. The decline was recorded in all the

²⁰ <http://reliefweb.int/report/pakistan/pakistan-idp-returns-fact-sheet-updated-31-october-2016>

²¹ <http://reliefweb.int/report/pakistan/wfp-pakistan-country-brief-december-2016>

²² <http://www.pakistantoday.com.pk/2016/12/29/idps-of-kurram-agency-demand-financial-support/>

²³ Report of the Committee on FATA Reforms, August 2016, GoP, <http://202.83.164.29/safron/userfiles1/file/Report%20of%20the%20Committee%20on%20FATA%20Reforms%20016%20final.pdf>

²⁴ http://unesco.org.pk/education/documents/2016/gem_launch/PC_TheNation.pdf

provinces but overall decrease was due to a fall in GRE in Sindh from 81 percent in 2012-13 to 79 percent in 2014-15.²⁵ These facts contrast with the government's policy that education is one of the four priority areas it is focusing on. The public spending on education remained pathetically low at 2.2%.²⁶

There was no news of increase in public spending on health. In preceding years, the GDP allocation to health had been lower than 3 per cent, one of the lowest in South Asia. Indicators relating to health and demography (Total Fertility Rate, Contraceptive Prevalence Rate, Population Growth Rate & Maternal Mortality Rate) were also the lowest among South Asian countries except Afghanistan. The year 2016, however, saw the launch of the Prime Minister's National Health Insurance Programme aiming to provide health insurance to poor families in 23 provinces benefitting 3.2 million families living below poverty line. In August, the National Health Vision 2025 was also launched. By September, 170,000 families were registered under the programme and given National Health Cards.²⁷

China Pakistan Economic Corridor (CPEC)

In 2016, implementation began on several of 51 agreements for infrastructure and energy under the CPEC, the biggest development assistance ever received by Pakistan from another country. The corridor traverses a 3,218 km route from Xinjiang, China, to the port of Gwadar,

Balochistan, and includes roads, railways, oil and gas pipelines, cable channels, special economic zones and construction of projects along the route. The CPEC, part of China's 13th five-year development plan for the year 2016-2020, is expected to bring enormous political and economic benefits to both China and Pakistan.²⁸

Under the CPEC, 29 Special Economic Zones have been planned. The federal government has asked the provinces to identify appropriate sites.²⁹ It is expected that China would relocate some of its industrial activities along the corridor as it would need semi-processed material for its high-tech industry.³⁰ The bulk cargo from China destined for world markets would need packaging and processing. There could be many possibilities for economic activities. These new economic hubs, SEZs, requiring substantial workforce will have the potential to flourish in to new industrial centres.

How Pakistan would materialise CPEC immense potentials remains to be seen. According to a report, CPEC projects would generate 400,000 jobs for the 36 projects by the year 2030 representing direct employment.³¹ Opportunities for indirect employment depends on how soon policy makers in Pakistan identify and promote secondary and tertiary employment generation.

In 2016, hundreds of jobs under various categories were advertised under CPEC on local employment websites and the media. The Port Qasim Coal-Fired Power Project management received

²⁵ http://www.pbs.gov.pk/sites/default/files//pslm/publications/PSLM_2014-15_National-Provincial-District_report.pdf

²⁶ Pakistan Economic Survey 2015-2016

²⁷ <http://www.nhsr.org.pk>

²⁸ <http://www.pakistantoday.com.pk/2015/11/23/cpec-made-part-of-chinas-13th-5-year-development-plan-weidong/>

²⁹ <http://www.sbp.org.pk/reports/annual/arFY16/Chapter-02.pdf>

³⁰ Ibid.

³¹ Planning Commission Newsletter, Vol.1 Issue 2, Nov 2016, Redefining Poverty, Ministry of Planning,

16,000 applications for 100 posts of engineers³² indicating high unemployment rate, particularly among educated youth. The project already has a workforce of 2,000 and as the project proceeds, more would be needed.

In development circle, labour resource centres and trade unions there was no debate or discussions on the opportunities and challenges the CPEC holds for labour in near future.

GSP Plus

The euphoria generated by the granting of the GSP Plus tariff-free trade regime to Pakistan by the EU in 2014 died down in 2016 among both--the industrialists and the labour. Due to a number of factors, textile exports declined in 2016 and the sector could not reap the benefits of the GSP Plus scheme. The initial vibrancy and hope among labour and human rights activists for improved compliance to the 27 GSP Plus-linked international standards and covenants on labour, human and women's rights, environment, narcotics and corruption, also faded away as the ground realities remained more or less the same.

The European Union released its first 2-year Pakistan review of the GSP Plus implementation in January 2016. Though the report conceded that the government had made efforts to improve labour laws, poor implementation and enforcement of legal safeguards provided for in the constitution and in domestic legislation was identified as a major concern by the EU.³³ The next review, covering the two

year period 2016-17, would be issued in January 2018.

The Treaty Implementation Cell constituted by the government for the specific purpose of monitoring implementation on the GSP Plus conditional standards and treaties was restructured in June 2016³⁴. The cell had been dysfunctional for two years according to the Federation of Pakistan Chambers of Commerce and Industry.³⁵ In July the Cell was placed in the Cabinet Division to give it due importance in the federal government's policy formulation structure.³⁶ In September 2016 a meeting was held at the Cell to chart out a roadmap for implementation of international treaties and conventions.³⁷ There was no follow-up on the decisions taken in the meeting.

2. Labour Policy and Legislation

Under the 18th Constitutional Amendment the provinces are granted enhanced spaces for policy planning, legislative reforms and institutional development. The federal government, however, is still empowered to legislate on labour where it deems fit. Sadly, the federal government appears to have absolved itself from matters related to labour despite recommendations from experts and demands from trade unions and labour groups to take up the unifying role, devise national labour policy framework in line with international labour standards and serve as coordinator and watchdog for the provinces over labour policy and legislation.

Development and Reform, GoP, http://pc.gov.pk/uploads//newsletter//FINAL_Newsletter.pdf

³² <http://www.pakistantoday.com.pk/2016/08/06/cpec-creating-more-job-opportunities/>

³³ Joint Staff Working Document, European Commission, Brussels, 28.01.2016, https://eeas.europa.eu/sites/eeas/files/european_commission._2016._report_on_the_generalised_scheme_of_preferences_during_the_period_2014-2015.pdf

³⁴ <http://www.pakistantoday.com.pk/2016/06/25/tic-finalises-standard-reporting-format-for-gsp-plus-scheme/>

³⁵ <http://fp.brecorder.com/2016/05/2016051044411/>

³⁶ http://www.pmo.gov.pk/news_details.php?news_id=546

³⁷ <http://202.83.164.29/cabinet/userfiles1/file/Press%20Release%20Pak-12th%20TIC%20Meeting-06-09-2016.pdf>

The federal government does have systems in place to guide and monitor the provinces on law-making compliant to the national Constitution and international treaties. Law and Justice Division in the Ministry of Law is mandated to provide services to provincial governments on legal, judicial and constitutional matters.³⁸ The Division deals with “drafting, scrutiny and examination of Bills and adaptation of existing laws to bring them in conformity with the Constitution and vetting of Contracts, International Agreements, Sovereign Guarantees etc.”³⁹ The federal Ministry of Overseas Pakistanis and Human Resource Development states it would coordinate with provincial governments “to align national labour laws with Pakistan’s international obligations on labour standards”.⁴⁰ It was not apparent in the year 2016 that the federal Ministry followed its own mandate.

Pakistan has ratified a total of 36 ILO Conventions, including fundamental conventions.⁴¹ The country has also ratified two Governance Conventions (Priority) out of four. The two ratified Priority Conventions relate to labour inspection and tripartite consultation. The federal government has not come up with any plan on how to institute governance mechanisms in compliance with the Labour Inspection Convention (No.81) and the Tripartite Consultation Convention (No.188).

Another example of non-compliance with international treaties and standards is found in the definition of child. The labour laws passed by the provinces in

the year 2016 define child as a person under 14 years of age in contravention to the UN Convention on the Rights of Child under which ‘a child means every human being below the age of 18 years’. Neither the provincial governments pursued reforms and revision of labour laws and largely opted to re-write the old laws.

Legislation in the Provinces

After Punjab announced its Labour Policy in May 2015, it was expected that the other provinces would work on their respective labour policies but it did not happen. There was no follow-up on the draft Principles of Labour Policy: A Framework for Industrial Relations, prepared by the Balochistan Chief Minister’s Policy Reform Unit in September 2015, after Dr. Abdul Malik Baloch submitted resignation in December 2015. According to the Sindh Labour Department, the draft Sindh Occupational Safety and Health Policy 2015 and the draft Sindh Health and Safety Act 2015 were vetted by the Law Department and approved by the Chief Minister in 2016 but remained to be notified.

Sindh

The Sindh Assembly provincialized and passed the following eight labour laws during the year, largely based on previous federal legislative pieces:

1. Sindh Minimum Wages Act 2015, passed in January 2016;
2. Sindh Workers Compensation Act 2015, passed in February 2016;

³⁸ <http://molaw.gov.pk/laws/>

³⁹ Ibid

⁴⁰ <http://www.ophrd.gov.pk>

⁴¹ http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:103166

3. Sindh Employees Social Security Act 2016, passed in February 2016
4. Sindh Shops and Commercial Establishment Act 2015, passed in March 2016;
5. Sindh Terms of Employment (Standing Order) Act 2015, passed in March 2016;
6. Sindh Factories Act 2015, passed in March 2016;
7. Sindh Bonded Labour System Abolition Act 2015 passed in April 2016.
8. Sindh Companies Profit (Workers Participation) Act 2015 passed in April 2016;

Labour Department had circulated draft laws [Sindh Factories Act, Companies' Profit (Workers Participation) Act, Sindh Shops and Establishments Act, Sindh Workers Welfare Fund Act, Sindh Industrial and Commercial Standing Orders Act] and held tri-partite consultation in 2014 for stakeholders' input. According to labour representatives, feedback provided by them were not incorporated. The officials at the Sindh Labour Department shared that several stakeholders' meetings were held (most in Karachi and one in Sukkur) to finalize the drafts. Efforts were made to have consensus of employers and workers on clauses and where there was a conflict, the Sindh Government made the decision'.⁴²

In February 2016 the Sindh Assembly passed the Sindh Workers' Compensation Act 2015. A noteworthy positive feature of the law is the comprehensive list (Schedule III in

Section 3:2) of occupational diseases included for compensation.⁴³ Legislators of the opposition parties pointed out that the draft was not referred to the Labour Standing Committee for a review. The Labour Standing Committee is responsible for oversight and monitoring of the ministry's working and review of the bills referred to it by the House.⁴⁴ The Standing Committee has to submit its reports to the House after it reviews the bills. The process of review of draft laws was not transparent and neither any report of the Labour Standing Committee was made public/put on the website during the reporting period.

The Sindh Employees Social Security Act 2016, passed by the Assembly in February, was notified in April replacing the Provincial Employees Social Security Institution Ordinance 1965. Under Section 3 of the Act, the government was required to establish and incorporate the Social Security Institution. But it did not notify to this end. Meanwhile, the federal law (Provincial Employees Social Security Ordinance 1965) stood repealed in the province as per Section 86 of the 2016 Act. Contrary to the defunct status, various directorates of Sindh Employees Social Security Institution (SESSI) remained functional.

In December, the Employers' Federation of Pakistan filed a constitutional petition in the Supreme Court challenging SESSI for acting without jurisdiction and issuing "demand notices to companies requiring them to pay social security contribution on the basis of increased minimum wages and in some cases,

⁴² Joint Directors, Labour, GoS, Mr. Gulfam Nabi Memon & Syed Ali Ashraf Naqvi (in a meeting held on 20 March 2017)

⁴³ Sindh Workers' Compensation Act 2015, pdf available at <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/102144/123390/F1094385742/PAK102144.pdf>

⁴⁴ The News, 26 Feb 2016, <http://labourwatchpakistan.com/workers-compensation-law-passed-as-opposition-gives-grudging-consent/>

huge demand notices sent based on arbitrary calculations with the threat to recover them as arrears of land revenue”.⁴⁵ According to an EFP representative, the companies kept paying the contributions as per old law. This lapse on the part of the Sindh Legislature resulted in resentment and displeasure among employers, and also deprived the workers of enhanced benefits to be accrued through the new law.

The Sindh Terms of Employment (Standing Order) Act 2015, passed in March 2016, has extended the scope of the law to a number of commercial establishments including educational institutions, health facilities, financial institutions, hotels and eateries, clubs and cinemas, and to the construction industry. The definition of ‘worker’ now includes management staff excluding only occupier (owner) and manager who have power to hire and fire. This will impact staff on senior positions as “they will no longer be bound by terms of employment as given in their letter of appointment but by the provisions of the Sindh Act.”⁴⁶

The EFP made ten comments on the Act that include typographical errors, factual errors, ambiguity and disagreement with content. The Employers Federation objected to subsection 2 of Standing Order 9 where by workers are granted paid holidays declared by both Sindh and federal government. Employers disagreed with Sections 7 and 8 wherein the quantum of penalties (to employer for violating the Act) “...have been increased manifold”.⁴⁷

While the laws enacted in 2016 were reviewed by the Employers Federation of Pakistan and recommendations for improvement were forwarded to the Labour Secretary and other concerned officials, no comprehensive analysis of the aspects of laws beneficial or damaging to labour done by the trade union federations or workers’ groups came to light.

Punjab

During the year, Punjab Assembly passed two pieces of legislation related to child labour—the Punjab Prohibition of Child Labour at Brick Kilns Act 2016 and the Punjab Restriction on Employment of Children Act 2016. In October, the draft law on occupational safety and health of workers exposed to silica dust was sent to the provincial cabinet for approval.⁴⁸ The year ended without any follow-up on the draft law. The draft law, formulated on the directions of the Supreme Court in the Gujranwala silicosis deaths case, is part of an implementation plan for control, rescue and treatment of the victims of silicosis.⁴⁹

The Punjab Prohibition of Child Labour at Brick Kilns Ordinance 2016, was promulgated in January to prohibit child labour and regulate adult labour in brick kilns. The law had several flaws and it did not comply to the UN Convention of the Rights of Child while defining a child. The worst aspect of the Ordinance was that it re-introduced the peshgi (advance) system in brick kilns banned under the Bonded Labour System (Abolition) Act 1992. It was expected

⁴⁵ <http://efp.org.pk/web/index.php/notifications/item/690-approaching-the-supreme-court-of-pakistan-against-illegal-and-unconstitutional-acts-of-the-sindh-social-security-institution>

⁴⁶ Pervez Rahim, Terms of Employment, *The News*, 12 July 2016, <https://www.thenews.com.pk/print/134190-Terms-of-employment>

⁴⁷ Comments & recommendations of Sindh Terms of Employment (Standing Orders) Act 2015, Employers Federation of Pakistan, unpublished document.

⁴⁸ <https://www.dawn.com/news/1288332/cm-approves-draft-law-on-workers-safety>

⁴⁹ <https://www.dawn.com/news/1288332/cm-approves-draft-law-on-workers-safety>

that this retrogressive component be removed and other amendments made in the bill placed before the Assembly in February and sent to the Standing Committee on Labour and Human Resources. In September 2016 the province enacted the Punjab Prohibition of Child Labour at Brick Kilns Act 2016.

Contrary to expectations, the Act passed by the Assembly turns out to be a “more problematic piece of legislation” than the Ordinance.⁵⁰ The reintroduced peshgi is rid of a complexity found in the Ordinance and the Act has fixed the peshgi limit to Rs. 50,000. According to a senior human rights activist and spokesperson of the HRCP, “the Punjab bureaucracy had been trying for many years to resuscitate the peshgi system through an amendment to the Bonded Labour System (Abolition) Act 1992” which it could not do hence it used the 2016 Act to insert a menacing clause not relevant to child labour.⁵¹

In the Act, child is defined as 14 years of age instead of 18 as in the UN Convention. According to Sections 7 and 9 of the Act 2016, parent of child found working in the brick kiln is deemed liable, along with owner, of violating the law and will share the penalty. Prime responsibility of hiring a worker, be it a child or adult, lies exclusively with employer. Holding other person, be it a parent, responsible for this action is irrational and unjust.

The Punjab Restriction on Employment of Children Act 2016 prohibits employment of children under 14 and restricts the recruitment of

adolescents (between 15 and 18 years of age) in 38 hazardous occupations. Definition of child in the Act does not comply with CRC. Barring this, the Act if implemented in letter and spirit, can curb child labour and protect children and adolescents from trafficking and prostitution, debt bondage, forced labour, including recruitment for use in armed conflicts or for pornography.

Balochistan and Khyber Pakhtunkhwa

In the year 2016, Balochistan Assembly provincialised two laws related to labour. The Balochistan Protection against Harassment of Women at Work Place Act 2016 was enacted in January. In October the Balochistan Boilers and Pressure Vessel Act 2015 was enforced to promote effective operation, inspection and maintenance regimes to ensure the safe use of pressure equipment. In December, the KPK Boilers & Pressure Vessel Act 2016 was enforced. There was no review of the laws or follow-up on implementation by any stakeholder.

Islamabad Territory

In February, the National Assembly passed the Minimum Wages for Unskilled Workers (Amendment) Act 2016 notifying revised minimum wages since 2013. This had repercussions on the EOBI Fund as the employers had to pay enhanced contributions as per revised minimum wages and the cumulative arrears.

⁵⁰ I.A. Rehman, A Flawed Child Labour Law, Daily Dawn, 8 Sept 2016, <http://www.dawn.com/news/1282778>

⁵¹ Ibid.

EOBI and WWF

The status of the two state-run labour welfare institutions—EOBI and WWF—remained contested in 2016 vis-à-vis the 18th Constitutional Amendment. Amidst the on-going conflict over ownership between the provinces and the federation, the constitutional petitions filed in the Supreme Court (by Punjab for devolution, by KPK and Balochistan against devolution) and provincialisation of the two laws by Sindh, the institutional decline of the EOBI and WWF continued to the detriment of workers in the four provinces.

Employers are required to pay a contribution equal to 5 per cent of minimum wages to the EOBI fund. The Punjab government challenged the applicability of the Minimum Wages for Unskilled Workers (Amendment) Act 2016 to territories other than Islamabad and the Lahore High Court gave stay against the upward revision.⁵² In April, the Employers Federation of Pakistan, and three other companies filed a similar petition in the Peshawar High Court and obtained stay order.⁵³

In its August 2016 meeting, the EOBI Board of Trustees noted that different “Chambers of Commerce, Employers Federations...have filed petition in different courts and have been granted stay. Resultantly a large number of employers have stopped contributing to the EOBI Fund. The employers are willing to pay as per revised minimum wages but they refuse to pay the arrears.”⁵⁴ In April 2016 the EOBI Chair-

man shared with the media that the 46 percent raise in pension made in 2015 through special grants would not be available in fiscal year 2016-2017.⁵⁵

In 2016 the EOBI functioned with its allegedly defunct Board of Trustees which had completed its tenure in December 2015. Also, a number of top management positions in the institution remained vacant.⁵⁶

According to legal experts the federal status of the EOBI Act 1976 and WWF Ordinance 1971 remains unaffected after the 18th Amendment and even adoption of these laws by the provinces as carried out by Sindh (i.e. Sindh EOBI Act, 2014 and Sindh Workers Welfare Fund 2014) will not enable the provinces to carve out any portion of the funds.⁵⁷ Nonetheless, the Punjab government had filed a petition in the Supreme Court, seeking transfer of EOBI and WWF to the provinces, whereas KPK and Balochistan filed petitions for retention of the institutions by the federal government.

The governments of Sindh and Punjab, the major contributors to both of the Funds are keen that the institutions are devolved to the provinces. Khyber Pakhtunwa and Balochistan oppose the devolution because the provinces have little industrial base hence low contributions from employers. A factor that complicate matter is the significant out migration of workers from KPK and Balochistan to Sindh and Punjab. If devolved, the provincial governments of KPK and Balochistan would have to pitch in substantial funds to keep the

⁵² <https://www.thenews.com.pk/print/127428-EOBI-pensioners-left-high-and-dry>

⁵³ <http://www.dawn.com/news/1253924>

⁵⁴ Minutes of 114th BOT meeting, <http://www.eobi.gov.pk/BOT/bot-114.pdf>

⁵⁵ <http://labourwatchpakistan.com/eobi-on-verge-of-collapse-due-to-wrangling-over-ownership/>

⁵⁶ Ibid.

⁵⁷ <http://www.pildat.org/publications/publication/labourissue/18thConstitutionalAmendmentandDevolutionofLabourMinistry.pdf>

schemes running and all the provinces would need to figure out where to register the workers, the home province or the work place region.

Trade union federations, trade unions and workers' groups in all the provinces are resisting devolution of the EOBI and WWF as it will deprive the workers of KPK and Balochistan of pensions and other benefits. In April, Pakistan Workers Federation organized a session in Mansehra to sensitize the media on the pitfalls of devolution of the EOBI.⁵⁸ In July representatives of six trade union federations-- Muttahida Labour Federation, National Labour Federation, Pakistan Workers Federation, All Sindh Trade Union Organisation, Sindh Sugar Mills Workers Federation and Sindh Mines Workers Federation--held a press conference at Hyderabad Press Club and shared concerns with the media.

Recommendations

- Uniformity of labour laws among the provinces should be ensured with the provision of space for provincial variation within a well-defined legal framework.
- The Federal Law and Justice Division, mandated to provide advisory services to the provincial governments on legal, judicial and constitutional matters, should partner with the provinces on drafting, scrutiny and examination of draft labour laws under a system of rules and procedures.

- The International Labour Standards (ILS) Unit, funded by the ILO-Pakistan, housed at the Federal Ministry of Overseas Pakistanis and Human Resources should undertake substantial work. It needs not duplicate the mandate of the Law and Justice Division. The ILS Unit should build the capacity of the provincial labour departments and coordinate reliable, systematic and unified documentation of labour currently undertaken by different departments in isolation.
- Provincial governments should put in place tripartite consultation mechanism and ensure its transparency. Draft bills should be shared with all stakeholders and enough time be given for adequate review and feedback.
- Desired amendments, compliant to international standards, be made by respective provincial governments in labour laws passed in 2016 as pointed out by the stakeholders.

3. Labour Conditions

According to the International Trade Union Confederation (ITUC) Global Rights Index 2016, Pakistan was ranked as one of the worst countries in the world to work in. The Index rated 141 countries on a scale from 1-5 based on the degree of respect for workers' rights. Pakistan got a rating of 5 (No Guarantee of Rights) indicating a country where

⁵⁸ <https://www.thenews.com.pk/print/115160-Workers-oppose-EOBIs-devolution>

‘the legislation may spell out certain rights, workers have effectively no access to these rights and are therefore exposed to autocratic regimes and unfair labour practices’.⁵⁹

Though the year 2016 witnessed stable economy and improved GDP growth rate, terms and conditions of work for the large majority of people in the country remained troublesome. There were few indicators towards ‘sustained, indigenous and inclusive growth’, a goal envisioned by the government in its 2025 document.⁶⁰ In 2016, Pakistan endorsed the UN 2030 Agenda for Sustainable Development that highlights decent work for all women and men as one of the key objectives. The SDG 8 calls for ‘sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all’ and SDG 10 seeks to ‘reduce inequality’.

Vision and commitments aside, the labour market in Pakistan was characterized by eroding employment security, rising wage inequality, gender discrimination, unsafe work places and increasing curbs on freedom of association and collective bargaining. In the absence of strong labour inspection system, labour laws violations remained the norm.

Labour Market Indicators

The importance of timely collection, processing and dissemination of statistical data is the key to effective policy-making and considered crucial to understand developments in the world

of work impacted by complex forces of globalisation and national socio-economic structures. Labour market indicators are derived from robust national statistical system based on censuses, demographic and other surveys. Unfortunately, population census in Pakistan has become a political issue and does not take place decennially. Aside the annual Pakistan Labour Force Survey --a household-based survey with a wide coverage of the population--undertaken annually by the Federal Bureau of Statistics since 1963, there is no other regular source of specific information on labour. In the year 2016, the Labour Force Survey was not published. According to a Bureau official, it was delayed due to the upcoming population census.

The ILO has identified 17 key indicators of labour market. Labour force participation rate, the first key indicator, measures the proportion of working-age population that engages actively in the labour market, either by working or looking for work. Pakistan’s labour force participation remains low (45.2 per cent)⁶¹ compared to several countries in South Asia (i.e. Bangladesh).

A persistent problem with the definition of ‘working population’ relates to age: Pakistan Labour Force Survey defines working population as persons of 10 years of age and over. The global norm for working population is people aged 15 to 64. There are several determinants of labour force participation (LFP). Aside employment opportunities and the demand for income, LFP is impacted

⁵⁹ ITUC Global Rights Index 2016, https://www.ituc-csi.org/IMG/pdf/survey_ra_2016_eng.pdf

⁶⁰ http://www.mopdr.com/vision/uploads/vision/pakistan_vision2025.pdf

⁶¹ Pakistan Labour Force Survey 2014-2015

most by level of education and training. Also, malnutrition, disability and chronic illness affect the capacity to work hence health is another major determinant of labour force participation. Poor human development indicators are the main reasons for low labour force participation rate in the country.

In the latest survey of 2014-2015, the labour force participation rates among young age cohorts—15-19 years and 20-24 years-- registered a decline among both males and females. This may be indicative of youth unemployment due to skill mismatch or low employment generation, or it could be explained through young people's preference for higher schooling and spending more years in pursuit of education as indicated by the rising percentage of young cohorts opting for 12 to 16 years of schooling.⁶²

Though gender disparity in economic participation exists in most of the countries in the world, the global female economic participation rate is around 50 per cent.⁶³ In Pakistan, a very low female labour force participation rate and wide disparity between labour force participation rates among men (67.8 per cent) and women (22 per cent) remains a serious concern. There is also a gap between rural (28.8 per cent) and urban (10 per cent) women's economic participation.⁶⁴ Women's low participation rate is due to lower human development indicators for women (i.e., literacy, skills, health) and cultural constraints that inhibit women's mobility and participation in economic and public affairs.

The biggest challenge of labour market dynamics remained 'informality' of employment. The informal sector refers to the lack of legal status of the economic activity. Mostly unregistered, informal enterprises are out of the ambit of state regulations and do not comply with relevant legislation, thus depriving workers of their rights and entitlements. According to the latest LFS, the majority of the non-agricultural labour—72.6 per cent—worked in the informal sector.

Out of the total employed persons in the informal section in 2014-15, 44.0 per cent were own account workers (running their own enterprises with or without hired labour); this figure was up from 40.5 per cent in 2013-14. This significant increase of 3.5 per cent, is indicative of growing informality as well as dynamism and entrepreneurship. Contributing family workers comprised 8.9 per cent of the total. The two categories—own account workers and contributing family workers—fall under the classification of 'vulnerable' workers. In Pakistan, the bulk—52.9 per cent—of the informal labour force, fell under the category of 'vulnerable employment'.

Average Wages and Wage Inequality

Pakistan continued to be ranked as a lower middle-income country. According to a report, in 2016 per capita income slightly increased to \$ 1,513 which comes to Rs. 13,112 per month.⁶⁵ With the average family size at 6.8 per cent and 1.5 earning members per family in Pakistan, a monthly income of Rs.19,669 translates in to Rs. 27.80

⁶² Ibid.

⁶³ Women, Work and the Economy: Macroeconomic Gains from Gender Equity, IMF Staff Discussion Note, 2013, <https://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>

⁶⁴ Ibid.

⁶⁵ <https://tribune.com.pk/story/889024/per-capita-income-a-pakistani-now-makes-1513-a-year/>

person per day, grossly inadequate for decent survival (food, clothing, shelter, education, healthcare).

The national average monthly wages were Rs.14,971 in the last LFS. Hidden beneath this average wages is a grim story of inequality. The highest proportion—33.36 per cent—earned between Rs. 5,000 to Rs. 10,000. Wages of 22.87 per cent were between Rs.10,000 to Rs.15,000 and percentage of people who earned Rs.15,000 and above was noted as 30.43.

Urban and rural wage inequality was high: a rural worker earned Rs.12,501 per month compared to Rs.18,041 urban wages. Gender differential in wages was even higher: a rural male worker was getting Rs.13,537 while his counterpart woman earned Rs.7,659. Gender inequality in wages was a bit less in urban areas: a male worker earned Rs. 18601 per month while the female got Rs.13,751.

Wage inequality across sectors is also troublesome. Agricultural workers earned Rs. 7,804 per month while those in the financial sector made an average income of Rs. 38,695. Workers in the manufacturing sector earned less than the national average: Rs. 13,478. Textile and garments comprise the largest and the most important component of the manufacturing sector. The gender differential in wages in the manufacturing sector was high: women workers getting Rs. 5,435 per month compared to male workers earnings of Rs.14,465. Wage differential for occupational status was even greater: a

manager earned Rs. 51,578 per month compared to persons engaged in elementary occupations who earned Rs. 10,392—approximate five-fold difference.

Gender Wage Gap

According to the Global Gender Gap Index 2016, Pakistan stands at bottom 143 out of 144 countries in the world. The Index, prepared annually by the World Economic Forum, examines the gap between men and women in four fundamental aspects: economic participation and opportunity, educational attainment, health and survival and political empowerment. The highest possible score is 1 (equality) and the lowest 0 (inequality) and Pakistan earned 0.556.⁶⁶

In the Gender Gap Index 2016, economic participation and opportunity is counted as a crucial measure of equality and comprises five aspects: labour force participation, wage equality for similar work, estimated earned income, number of legislators, senior officials, managers, and number of professional and technical workers. Pakistan is doing poorly on all five: female labour force participation rate is 22 per cent versus men's 67.8 per cent; women are paid 23 per cent less than men for similar work; women's average monthly income is Rs.9760 compared to men's monthly earnings of Rs.15884 and only 0.3 per cent women are employed as managers, 6.4 per cent as professional and 0.9 per cent as technical workers.⁶⁷

⁶⁶ <https://reports.weforum.org/global-gender-gap-report-2016/economies/#economy=PAK>

⁶⁷ Pakistan Labour Force Survey 2014-2015

Pakistan was ranked 143 on economic participation and opportunity for women and scored 0.32. In educational attainment, Pakistan got a rank of 135; in health and survival, the country was ranked 124 and in political empowerment 90 in the league of 140 countries measured for the index.

Gender wage gap is divided into two parts: an 'explained' part which is accounted for by variables such as an individual's level of education or skills, and an 'unexplained' component which, according to the ILO "...captures what remains after adjusting for these observable characteristics and therefore suggests discrimination in the labour market".

Minimum Wages

Minimum rates of wages, for all classes of workers employed in certain industrial undertakings, are regulated under the Pakistan Minimum Wages Ordinance, 1961. After the passage of 18th Amendment, the provinces have adapted the law. The tripartite provincial Minimum Wage Boards are functioning under the 1961 law. The Boards recommend (to respective governments) the minimum rates of wages (for time work, piece work, over time work and paid holidays) in specified industries. The provincial governments then approve and notify these wages.

Despite the existence of statutory mechanism for wage fixing, Pakistan has not ratified any of the three related ILO Conventions--C26 Minimum Wage-Fixing Machinery Convention,

1928; Minimum Wage-Fixing Machinery (Agriculture) Convention No. 99; and C131 Minimum Wage Fixing Convention, 1970. The ILO Conventions requires the minimum wage fixing machinery to have the capacity to determine and periodically review and adjust minimum wage rates; have force of law and respect freedom of collective bargaining. Also, the setting of minimum wages should be done in full consultation with social partners (workers and employers) based on statistical evidence of social and economic factors (needs of the household, cost of living, social security benefits, levels of productivity).⁶⁸

Though according to the laws, each province can fix minimum wage independently, yet minimum wage increase is first undertaken unilaterally by the federal government for political expediency and announced along with the national budget under the Finance Act. Provinces then simply follow suit without doing any homework on their own.

In June 2016, the federal government increased the minimum wages for unskilled workers from Rs. 13,000 to Rs. 14,000 per month. The four provinces announced the increase (to Rs. 14,000) in their respective budgets. The Punjab Wage Board turned out to be the most efficient and notified the raise in July. The Sindh Wage Board completed the process in four months and notified the minimum wages (Rs.14,000) in late October.⁶⁹ There was no news (of notification) from the provinces of Balochistan and Khyber Pakhtunkhwa.

⁶⁸ Global Wage Report 2016-2017, ILO, http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_537846.pdf

⁶⁹ <https://www.dawn.com/news/1290056>

Implementation on revised minimum wages is possible only after respective notifications are issued by the governments on recommendation of respective Wage Boards. Employers tend to pay the revised wages from the date of notification and pay accumulative arrears at their own convenience causing hardship to the workers.

In late June 2016, the Minimum Wages Action Committee, formed by the Awami Workers Party launched a campaign for implementation of minimum wages. The Action Committee had the support of a number of trade union federations and workers' groups (Progressive Labour Federation, PTCL Employees Union CBA, Pakistan Bhatta Mazdoor Union, Itehad Labour Union, Railway Workers Union, NADRA Employees Union CBA, PTDC Employees Union CBA, Pakistan Trade Union Federation, GP Code workers Union, All Pakistan Trade Union Federation.⁷⁰The workers' groups and trade unions continued to advocate for implementation of the minimum wages.

Occupational Safety and Health

The year 2016 did not bring about any change regarding unsafe conditions at work places. A number of fatal accidents in hazardous sectors—construction, mining, ship breaking, electrical works—were reported in the media. The most tragic was the disastrous fire on a ship at the Gadani Ship Breaking Yard which led to the loss of life of 25 workers and injuries to 58.

Deaths in fatal industrial accidents were caused by fall from height, wall and

debris collapse, electrocution and gas explosion, and happened because standard operating procedures for safety and health were violated. In the absence of any official, or non-official, mechanism for documentation of occupational safety and health related accidents, it can be asserted that the actual number of deaths and injuries to workers is much higher across country than what is highlighted by the media. Pakistan Labour Force Survey does not include fatalities at work places: it only indicates occupational injuries and diseases.

The outcomes of the collaborative Plan of Action of Labour Department, Government of Sindh, Employers Federation of Pakistan and Pakistan Workers Federation, in collaboration with ILO, the Joint Action Plan for Promoting Workplace Safety and Health in Sindh (2013-2016), were not publicly shared by any of the participant stakeholder.

Workers' Safety in Hazardous Sectors *Ship Breaking*

The most tragic industrial disaster of the year 2016 occurred on 1st November at the Gadani Ship Breaking Yard resulting in deaths of 25 workers and injuries to 58.⁷¹The accident occurred due to gross violation of the standard operating procedures, including that of emptying the ship of all inflammable material before dismantling. The Balochistan Development Authority spokesperson confirmed that the ship, a crude oil tanker, did not go through any of the requisite procedures and neither it

⁷⁰ <http://labourwatchpakistan.com/campaign-for-minimum-wages-after-eid/>

⁷¹ <https://www.geo.tv/latest/119660-Fire-at-Gadani-ship-put-out-after-four-days>

obtained the No Objection Certificate required before beaching and breaking issued by the Balochistan Environmental Protection Agency.⁷²

On 22 December, another ship—an LPG container-- at the Gadani ship-breaking yard caught fire. Fortunately, all 100 workers on board managed to disembark.

There are a total of 135 plots at the Gadani yard. At present, 68 plots are operational in the Gadani ship-breaking yard, which are run by 38 operators and employ more than 12,000 workers. Dismantling decaying ships is done by semi-skilled marginalised labour. The workers toil without protective gear—helmets, goggles, boots, gloves—on dangerous heights, and live in make-shift huts at Gadani coast without electricity, safe drinking water and medical facility. There is no inspection and monitoring of hoisting and hauling equipment, of the dangerous work processes involved and the conditions of work. The only requirement is the NOC before beaching and breaking, after submission of impact assessment. Though Pakistan is a signatory to the Basel Convention, no compliance legislation is in place.

Construction

The year began with the news of accidents at the construction site of Orange Line Metro Train project in Lahore. In January five workers were electrocuted when a crane hit a transmission line at the construction site.⁷³In May seven workers were crushed to death and four

injured when a wall of an under-construction factory collapsed at the camp office of the project. In June a steel column used for scaffolding collapsed resulting in injuries to two workers. In July a crane struck a passing rickshaw, killing four civilians and injuring ten.⁷⁴According to a report, more than 50 people, mostly workers, died accidents around the construction sites from September 2015 to December 2016.⁷⁵

Construction industry is the second most dangerous sector (after agriculture) in Pakistan in terms of occupational safety and health. The number of workers who succumb to fatal accidents annually falling from height, struck by falling object or moving vehicles, excavation or demolition or machinery-related accidents, electrocutions, fire or explosion is not documented in the official survey. The Labour Force Survey only notes the rate of occupational injuries which has risen in construction from 14.1 percent in 2013-2014 to 16.3 per cent in 2014-2015. An increase of 2.2 per cent in industrial accidents in the construction sector is a harsh indictment on the state's neglect for health and safety of the workers.

There are 4.48 million workers in the construction industry who constitute 7.3 per cent of the total labour force of 61.14 million.⁷⁶These low-tiered workers include masons, laborers, steel fixers, scaffolders, plant and machine operators, fitters, welders, electricians, plumbers, painters, carpenters, tile fixers. As the industry generates seasonal or project-based work, these are almost all foot-loose workers from low-income

⁷² <http://hrqp-web.org/hrqpweb/wp-content/uploads/2017/02/Fact-Finding-Report.pdf>

⁷³ <https://www.samaa.tv/pakistan/2016/01/orange-line-crane-accident-kills-two-in-lahore/>

⁷⁴ <http://www.bwint.org/default.asp?index=7263>

⁷⁵ <https://timesofislamabad.com/64067-2/2017/01/13/>

⁷⁶ Pakistan Labour Force Survey 2014-2015

communities in southern Punjab, Sindh and Khyber Pakhtunkhwa, shuttling from one project to another, living on site camps in harsh climate or hanging on to the make-shift arrangements at half-constructed buildings, earning on average Rs.12,032 per month according to the latest Pakistan Labour Force Survey.

The level of informality in construction industry, according to official data, has increased from 13.8 per cent in 2005 to 16.4 per cent in 2015. The industry operates on a minuscule core of permanent employees and the remaining, about 90 per cent, of the work force is informal, deprived of healthcare, paid holidays and social security. The industry operates largely through subcontracting and according to the ILO 'the practice of employing labour through subcontractors has had a profound effect upon occupational safety and health' in construction.

Mines and Quarries

In the first quarter of the year 2016, accidents in different mines led to deaths of 30 mine workers.⁷⁷ The accidents happened at the coal and other mines at Chamalang Loralai, the Sor Range Quetta, the Sharigh Coal Field Sibbi, Duki Loralai in Balochistan, and in two regions at Orakzai Agency, Khyber Pakhtunkhwa. In September two Chinese engineers and a local miner died in a Dudder mine in Lasbela, Balochistan.

The rising incidences of mine disasters in Orakzair Agency were linked to the absence of monitoring inspector.

According to the rescue in-charge of the area, the presence of a qualified engineer and an inspector in the mine is mandatory. But the owners and contractors tend to appoint their relatives as inspectors and managers who are neither educated nor experienced.⁷⁸

While the world has gone ahead with developments in mining technology i.e. advanced robotics, energy storage, and mobile internet, transforming the way safety of workers is managed, in Pakistan miners continue to use medieval tools, risk their life, inhaling dust, fearing methane gas explosions, fires, cave-ins, poisonous gas leakages and haulage accidents. The workers endure harsh conditions in make-shift mud shacks nearby, or in villages, devoid of all basic facilities.

The mining and quarrying sector grew by 6.8 percent in 2016 (against 4.0 percent in the previous year) and contributed 3.0 percent to the country's GDP. Due to lack of structural development, mining sector in Pakistan is highly fragmented. Small areas for mining are leased out to private investors by provincial governments. Small mines employ few people with low levels of output and investment of capital. Private owners invest minimally in mine infrastructure development and safety protocols. Regulatory and legislative system, outdated, is subverted though the applicable law, framed by the British 91 years ago, the Mines Act 1923, spells out the provisions for health and safety and the responsibilities and duties of inspectors, owners, agents, managers and the state officials. Balochistan province has

⁷⁷ <http://www.industrialunion.org/another-coal-mine-explosion-in-pakistan-five-killed-and-eight-injured>

⁷⁸ <https://tribune.com.pk/story/1113940/cause-effect-coal-mine-accidents-triggered-absence-monitoring-inspector/>

simply amended the amount of penalties in 2011 to the above law. The other provinces have so far neither adopted nor reformed the old federal law.

Pakistan has not ratified the ILO Safety and Health in Mines Convention 1995 (No. 176) and neither it follows the 2006 ILO Code on Safety and Health in Underground Coal mines that sets out general principles and specific guidance in all aspects of mining operations, including record keeping and documentation.

Agriculture

The largest component of the country's work force—25.82 million or 42.3 per cent-- toils in agriculture, the most hazardous sector. According to official data, 4 per cent of the employed work force reported occupational injuries and diseases. Of these, agricultural, forestry and fisheries workers constituted the largest affected group: 48 per cent with about twice as many women (86 per cent) exposed to health risks.⁷⁹ The hazards in agricultural work include proximity to dangerous machinery (i.e. tractors, harvesters, cutting and piercing tools), hazardous chemicals (pesticides, fertilizers, antibiotics and other veterinarian products); toxic agents (i.e. plants, dusts, animal waste), carcinogenic agents causing injuries and infectious and parasitical diseases. The workers are also exposed to ergonomic hazards and extreme temperatures.

Agriculture is out of ambit of all labour laws hence agricultural farms are not inspected for labour compliance. This is

due to a powerful nexus between political elite-bureaucracy, landlords and the military who resist land reforms and do not declare agriculture an industry and agricultural income taxable. The right to form unions has been granted only in the Sindh Industrial Relations Act 2013 but as rules of procedure for registering a union has not been notified, the stipulated right has no meaning. Far from the cities and the possible coverage of electronic and print media, agricultural labour remains under the control of the landlords, hence invisible. Occupational injuries and diseases are not reported and neither any records maintained. There are a number agricultural research institutes and universities, in addition to the Pakistan Agricultural Research Council, but hardly any research exists on occupational safety and health in agriculture.

Pakistan has not ratified any of the ILO standards related to agriculture. These include Safety and Health in Agriculture Convention 2001 (No. 184), and its supplementing Recommendation (No. 192), and Labour Inspection (Agriculture) Convention 1969 (N.129)

Labour Inspection

According to Article 4, ILO Convention No. 81, labour inspection is to be placed under the supervision and control of a central authority and in the 'case of a federal State, the term central authority may mean either a federal authority or a central authority of a federated unit'. The Convention stipulates that the number of labour inspectors should be sufficient to cover all the work places. Also, the

⁷⁹ Pakistan Labour Force Survey 2014-2015

central inspection authority is required to publish an annual report on the work of the inspection services under its control.

In April 2016, the International Labour Standards (ILS) Unit, set up with the support of the ILO at the Ministry of Overseas Pakistanis and HRD, brought out its first report Occupational Safety and Health: Legal Framework & Statistical Trend Analysis (2010-2015).⁸⁰ The report was brought out as “a contribution to the orders of the Honourable Supreme Court of Pakistan on development of necessary capacities by provinces and documentation of OSH situation in the country’s labour market.”

⁸¹The report disappointed those who were expecting a national legal framework on OSH from the Ministry. The report merely summed up existing national and provincial legislation and analysed data from the previous Labour Force Surveys.

Two important developments, extraneous in nature, influenced the government to address the collapsing labour inspection system in the country. The first was the GSP Plus status, or tariff-free trade regime, granted to Pakistan by the European Union in 2014, linked to human rights and labour compliance. The second is the China-Pakistan Economic Corridor that offers enormous potential of employment generation and requires long-term planning for educated and skilled labour force, and harmonious industrial relations based on labour compliance.

In early 2016, the government with the support of the ILO-Pakistan carried out

an assessment of labour inspection in the provinces under the 5-year project Strengthening National Capacity for ILS Compliance in Pakistan. The draft report, shared with few stakeholders in mid 2016, presented a grim picture and valuable recommendations. The report stated that the provinces did not make any effort to improve the existing inspection mechanism after devolution of labour through the 18th Constitutional Amendment. By December 2014 there were only 547 labour inspectors and 351,689 registered industrial and commercial establishments and factories in Pakistan. “The strength of staff in the provinces did not increase despite enormous increase in the number of industrial and commercial establishments.” The report pointed out that the inspector “cannot prosecute the industrial establishments violating the provisions of labour laws” and neither the inspectorates “are facilitated by the state in terms of finances and transport to conduct inspection.”⁸²

The 2016 report identified a number of issues with the existing labour inspection system: ambiguities in labour laws; no indication of the quality of inspection; grotesquely inadequate number of inspectors; no mechanism to follow the prosecution pending in the courts; no liaison between the court and the inspection machinery; absence of training and capacity development institution in KPK and Balochistan for the inspection staff; lack of consultation and information sharing with the social partners; and lack of coordination with the other factory inspections, i.e. inspection by Boiler Engineers, inspection by Environ

⁸⁰ <http://www.ophrd.gov.pk>

⁸¹ Ibid

⁸² *Assessment of Labour Inspection and OSH in Pakistan, 2016*, final report pdf. Unpublished document.

mental Specialist, inspection of Civil Defense Officials, Inspection of Tehsil Administration and inspection of Electric Inspectors.

In the first meeting of the Project Advisory Committee, held in November 2016 the relevant federal ministries (Human Resource Development, Textile, Commerce), provincial labour departments and the ILO representatives spoke of interventions in the year 2016 which included the above mentioned assessment, a report on OSH legislative framework and development of the Provincial Action Plans.⁸³

4. Marginalised Labour

Though active in economic mainstream production, there are groups of workers relegated to the sidelines of the economy and society. Denied full access to opportunities and valued resources (i.e. education, health, skills), excluded from social and political participation, marginalized groups have little control over their lives and tend to remain stuck in disadvantageous structural grooves. Though poverty underpin marginalization of labour, there can be varied institutional factors for the state of marginality, i.e., grossly unequal economic arrangement as in bonded labour, age and lack of self-agency as in child labour, or geographical mobility as in migrant labour. The status of marginalized groups of workers in Pakistan have not changed fundamentally despite growing awareness about their conditions and the attempts of non-state actors to remediate the situation.

Bonded Labour

In the Global Slavery Index 2016, Pakistan ranked sixth, among 167 countries, in the prevalence of forced or bonded labour, termed as modern forms of slavery. The number of people living in modern slavery in Pakistan was estimated to be 2,134,900.⁸⁴ The Global Slavery Index comprises 24 measures of vulnerability divided into four dimensions: civil and political protections; social health and economic rights; personal security; and refugee populations and conflict. The two sectors in Pakistan with high prevalence of forced labour are agriculture and the brick kilns.

An important global development in the fight against bonded labour was the ILO new Protocol to the Forced Labour Convention, 1930 (No. 29) that came in to force in November 2016 after its second ratification. The new Protocol establishes the obligations to 'prevent forced labour, protect victims and provide them with access to remedies, and emphasizes the link between forced labour and trafficking in persons'.⁸⁵

Pakistan has ratified long ago the ILO Forced Labour Convention No. 29 and the Abolition of Forced Labour Convention No.105. Though ratifications of international treaties amount to little for a country which does not implement its national laws, still it does work at times as global moral pressure. If the government ratifies the Protocol, it would be accepting it as a legally binding instrument and making a formal commitment to implement the obligations and accepting the ILO supervisory system, in which

⁸³ http://www.ilo.org/islamabad/info/public/pr/WCMS_536748/lang--en/index.htm

⁸⁴ <http://www.globalslaveryindex.org/country/pakistan/>

⁸⁵ ILO Standards on Forced Labour: New Protocol and Recommendation at a glance, http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_508317.pdf

social partners may intervene.⁸⁶

Pakistan is also committed to the Sustainable Development Goal 8.7 which requires the government to “take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.”⁸⁷ Pakistan is also a part of the global Alliance 8.7 which was launched in September 2016.

Bonded Labour in Brick Kilns

The brick kiln labour, one of the most vulnerable and marginalised sections of society, continued to work and live under debt bondage. A survey of the 324 brick kilns in eight districts of Punjab, conducted by Labour Qaumi Movement and Pattan Development Organisation in 2016, indicated that 81 per cent of workers were not free to leave the kilns. The system of advance (peshgi) declared illegal under the Bonded Labour System (Abolition) Act 1992, was found to be prevalent.⁸⁸ The survey revealed violation of all labour laws.

Deprived of social protection, health and safety, decent shelter and civic entitlements, brick kiln workers are trapped in exploitative cycle of debt bondage. The law to eliminate debt bondage (the Bonded Labour System Abolition Act 1992) and the civil society’s sustained but small-scale efforts to support brick kilns workers have not achieved the

desired results. The reasons include lack of implementation of laws, absence of a regulatory framework for the brick industry and abundant supply of unskilled and cheap labour, besides the collusion of the state and the brick kilns’ owners. In a very unfortunate move and sly manner, the government Punjab has subverted the 1992 law and made peshgi legal through Sections 3 and 4 of the newly enacted Punjab Prohibition of Child Labour at Brick Kilns Act 2016.⁸⁹

The struggles of many brick kilns’ workers seeking freedom from debt bondage with the help of the judiciary (through the writ of habeas corpus) were reported in the media. On 10 May, 49 workers (including women and children) were enabled to leave the brick kiln No 7 in Jea Bagga, Raiwind, by the judiciary and the police. The workers approached the authorities to ensure implementation of minimum wage, social security and decent work and living conditions in the kiln but no action was taken. Instead, the owner registered a fake FIR and one of the workers was arrested. The family of the detained worker then contacted an NGO which sought release of the workers from the kiln.⁹⁰ On 22 May, three brick-kiln workers were recovered from illegal detention of a kiln owner at Sheikhpura on the District Court order.⁹¹ In July the Lahore High Court ordered release of 16 kiln workers.

Bonded Labour in Agriculture

Bonded labour in agricultural farms continued to prevail with impunity particularly in Sindh where landholdings are Abolition Act, is strong. The skewed and

⁸⁶ Ibid.

⁸⁷ <http://www.alliance87.org/#target>

⁸⁸ <http://nation.com.pk/islamabad/07-Apr-2016/punjab-brick-kiln-industry-remains-out-of-govt-s-reach>

⁸⁹ <http://www.punjablabour.gov.pk/file/The%20Punjab%20Gazette-The%20Punjab%20Prohibition%20of%20Child%20Labour%20at%20Brick%20Kilns%20Ordinance%202016.pdf>

⁹⁰ Dawn, 11 May 2016, <http://labourwatchpakistan.com/49-labourers-released-from-kiln-slavery/>

⁹¹ <https://www.thenews.com.pk/print/121745-Detained-kiln-workers-set-free>

resistance to implementation of labour laws, including that of the Bonded Labour System Abolition Act, is strong. The nexus between landlords (who are mostly sitting members of the assemblies), bureaucracy and law enforcement agencies is firmly in place. Yet bonded workers continued to resist exploitative conditions in 2016 with the support of the judiciary, human rights groups and the media.

In May 28 men, women and children forced into bonded labour were recovered in a raid in Chaudhry Basheer Airan village by the police in Badin district. The action was taken on the order of the Matli Additional Session Court judge in the course of a petition filed by one of the relatives of workers taken in bondage by a land owner. In another raid, Tando Bago police, in compliance of an order issued by the Badin Session Court freed 10 workers and family members detained by Allah Bukhsh Rind on his farms in Deh Chandali near Tando Bago town.⁹²

In November, the Balochistan Levies rescued 27 bonded labourers from agricultural field in the command area of the Mirani Dam in Kech district. The workers were repatriated to their native town Mithi in Sindh. The action was taken on a complaint submitted by the Human Rights Commission of Pakistan.⁹³ A few days later, as identified by the HRCP, the Levies rescued 43 workers held in debt bondage in a remote area of the Turbat district.⁹⁴

The civil society continued to advocate against the menace of bonded labour in

Sindh and demanded that forced labour and detention of workers in debt bondage by landowners be declared a 'serious offence' and such cases be tried by a sessions judge and not a first-class magistrate as stipulated in the Sindh Bonded Labour System (Abolition) Act, 2015.⁹⁵

According to an international 2016 report, Punjab, Khyber Pakhtunkhwa, Azad Jammu and Kashmir, and Gilgit-Baltistan reported a total of 21 investigations, 15 prosecutions, and one conviction concerning trafficking in bonded labour. Sindh province reported "zero investigations, prosecutions, and convictions for labour trafficking. Separately, Punjab reported 15 investigations and prosecutions and seven convictions for bonded labour under the BLSA".⁹⁶

Child Labour

The most vulnerable among the marginalized groups of labour are children workers. Children lack self-agency and are dependent on their parents and society for nurturing and personal growth, hence have little control over circumstances and conditions that affect them, particularly at the work place.

According to the latest available data, labour force participation rate for age group 10 to 14 years was 9.6 per cent and for persons of 15 to 19 years the rate was 33.5 per cent⁹⁷, indicating high incidence of child labour and massive violation of laws against child labour. Prevalence of child labour was much higher in rural areas than in the cities.⁹⁸ The province of Punjab had the highest

⁹² <https://www.dawn.com/news/1260827/38-bonded-haris-freed>

⁹³ <http://labourwatchpakistan.com/page/2/?s=bonded+labour+2016>

⁹⁴ Daily News 9 Nov 2016, <http://labourwatchpakistan.com/43-bonded-labourers-rescued-in-turbat/>

⁹⁵ <http://pakobserver.net/peasants-workers-urged-to-organise-themselves-to-eliminate-bonded-labour/>

⁹⁶ 2016 Trafficking in Persons Report Pakistan, US office to monitor and combat trafficking in persons

⁹⁷ Pakistan Labour Force Survey 2014-2015

⁹⁸ Source: *ibid*.

percentage of child labour, followed by Sindh.⁹⁹ The sectors with high prevalence of child labour include agriculture, brick kilns, carpet weaving, domestic work, waste picking, auto workshops and food catering services.

Estimates of child labour for 2016 were not available but its prevalence could be gauged from data on education, or lack of it, as education is the most important factor determining the prevalence of child labour. According to the Global Education Monitoring Report 2016, released by the UNESCO in September, Pakistan has 24 million out of school children, adolescents, and youth.¹⁰⁰

The last national survey on child labour was done 20 years ago in 1996 and now, after devolution of labour, a national survey is unlikely to be undertaken despite the urgency to establish prevalence and the trends in child labour across provinces.

In July 2016, the government of Punjab undertook a survey on child labour engaged in auto garages, filling stations and hotels and restaurants in the province. The first phase of the Provincial Child Labour Survey revealed there were 5,420 children under 14 years of age working at auto workshops, 71 at patrol pumps while 1,636 children toiled in hotels and restaurants in Sheikhpura, Gujranwala, Khanewal, Bahawalnagar, Hafizabad, Sialkot, Okara, Multan, Rahim Yar Khan and Dera Ghazi Khan. The final phase of the survey in 13 districts was completed in September.¹⁰¹ The report is yet to be shared by the province.

In August 2016, the Punjab government launched the Elimination of Child and Bonded Labour Project in Sialkot under the Pakistan Decent Work Country Programme III (2016-2020) supported by the ILO. The Outcome 1.3 committed under the programme aims to progressively eliminate the worst forms of child and bonded labour in rural economy.¹⁰² The project was stated to be already operational in Gujranwala, Sheikhpura, Hafizabad, Okara, Khanewal, Multan, Rahim Yar Khan, Bahawalnagar and Dera Ghazi Khan districts.¹⁰³

Migrant Labour

Migrant workers, particularly unskilled or those with low levels of skills and education, comprise another group of marginalised labour. Mostly driven by poverty or lack of decent livelihoods, they migrate across districts or provinces within Pakistan, or across borders, in search of better employment opportunities and improved living conditions for their families back home. Vulnerable to exploitation, deprived of social security, decent housing, basic amenities and support networks, migrant workers face hardships, negative stereotyping and exclusion.

Across districts and Provinces

Rural to urban migration kept its fast pace in 2016. One of the major reasons was decline in agriculture sector. The growth of crops declined by 6.25 percent in 2016¹⁰⁴ pushing agricultural workers out to the urban centres in search of livelihoods.

⁹⁹ Ibid.

¹⁰⁰ <http://tvi.com.pk/pakistans-education-policies-failing-too-many-children-gem-report-2016/>

¹⁰¹ <http://pakobserver.net/second-phase-of-child-labour-survey-to-be-completed-by-august-15/>

¹⁰² Decent Work Country Programme (2016-2020), http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-islamabad/documents/publication/wcms_532847.pdf

¹⁰³ <https://www.dawn.com/news/1280026>

¹⁰⁴ Pakistan Economic Survey 2015-2016

Urban population is estimated to be 38.8 per cent of population in Pakistan.¹⁰⁵ Among the provinces, urbanization in Sindh is the fastest and stands out in stark contrast to other provinces. According to the latest Labour Force Survey, Sindh had 14.31 million labour force and the urban workforce was 6.48 million, or 45.23 per cent, in contrast to 28.91 per cent in Punjab, 23.05 per cent in Balochistan and 22.22 per cent in KP.¹⁰⁶

Internal migration is a low priority area for policy-makers and it is not even mentioned in the current Labour Policy (2010). There is no law protecting the rights of internal migrant workers in Pakistan. The state has never come up with specific schemes to integrate multi-ethnic migrant workers in the cities.

Across Borders

According to a report released in December 2016, Pakistan has 5.9 million overseas workers¹⁰⁷ mainly in Saudi Arabia and the UAE, making significant contribution of 7.5 per cent to the country's GDP.¹⁰⁸ In the year 2016, overseas Pakistanis sent home \$20.5 billion in remittances.¹⁰⁹

Aspiring migrants in Pakistan, in search of better work opportunities across borders, often become victims of labour trafficking. Pakistan is one of the ten countries in the world whose nationals attempt irregular migration using fraudulent documentation. The irregular migrants are often gullible rural workers cheated by human smugglers. The Federal Investigation Agency recorded in its website that between July to August

2015, the number of people found with forged documentation and deported to Pakistan was 18,958 and persons deported from Iran, Turkey, Greece, Oman and Spain was 2,230. In its latest edition of Red Book 2016, the FIA profiled 92 most wanted human traffickers most of whom belong to the districts of Punjab—Lahore, Sialkot, Mandi Bahuddin, Gujranwala and Gujrat.¹¹⁰

In 2016 Pakistan was put under the Tier 2 Watch List for the third consecutive year by the US. The Trafficking in Persons Report brought out annually under the US domestic law (Trafficking Victims Protection Act) that deals with trafficking globally notes that Pakistan does not fully meet the TVPA's minimum standards though it is making efforts. The number of victims of severe forms of trafficking is significantly high and the country has failed to provide evidence of increased efforts to curb trafficking crimes which include bonded labour. According to the report 'official complicity in trafficking remained a significant concern' in Pakistan.¹¹¹ Though Pakistan has ratified the United Nations Convention against Transnational Organised Crime, it is not a signatory to the Protocol to Prevent, Suppress and Punish Trafficking in Persons, nor has signed the Protocol against the Smuggling of Migrants by Land, Sea and Air.

According to a latest report, nearly 52 per cent of all regular migrant workers from Pakistan originated from Punjab, followed by Khyber Pakhtunkhwa (25.6 per cent), Sindh (9.5 per cent) and Balochistan (1.2 per cent).¹¹² Of these, 39 per cent were unskilled, 16 per cent

¹⁰⁵ http://www.indexmundi.com/pakistan/demographics_profile.html

¹⁰⁶ Source: Pakistan Labour Force Survey 2014-2015

¹⁰⁷ <https://en.dailypakistan.com.pk/opinion/blog/international-migrants-day-india-tops-labor-export-pakistan-ranks-6th/>

¹⁰⁸ 2015 figure, <http://southasiainvestor.blogspot.com/2016/10/remittances-to-pakistan-rise-51-to-205.html>

¹⁰⁹ <http://southasiainvestor.blogspot.com/2016/10/remittances-to-pakistan-rise-51-to-205.html>

¹¹⁰ <http://www.fia.gov.pk/en/redbooktriff.pdf>

¹¹¹ <https://www.state.gov/j/tip/rls/tiprpt/countries/2016/258837.htm>

¹¹² Labour Migration from Pakistan: 2015 Status Report, apmigration.ilo.org/resources/labour-migration-from-pakistan-2015...report/at.../file1

semi-skilled and 42 per cent skilled.¹¹³ Regular migrant workers who reach the countries of destination in the Middle East often suffer harsh working conditions, low wages, congested housing and loss of freedom of movement as their passports are taken away by the authorities.

Pakistan is also a host and transit country for cross border migrant workers from Afghanistan (who mostly have refugee status), Burma and Bangladesh, who are marginalized and excluded from the mainstream society and economy. Pakistan has not ratified any of the ILO standards related to migrant workers (Migration for Employment Convention No.97, Migrant Workers Convention No.143) and neither the UN International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.

In April 2016, the first Migrant Resource Center was officially opened in Islamabad under the ILO-EU funded South Asia Labour Migration Governance Project and the ICMPD-EU funded project Silk Routes Partnership for Migration. And officially opened in December 2016. The purpose of the Centre is to 'provide a range of support services to (potential) migrants, migrant workers, and their families including information, counselling, referral and pre-departure orientation'.¹¹⁴

5.Trade Unions and Labour Struggles

The decline of labour movement in the country continued in 2016 as reflected in the media and gleaned from anecdotal

evidence. Lack of unified and transparent documentation of trade unions' registration by the authorities--under federal and provincial industrial relation laws--hinders correct estimation of trade union density. The labour departments in the provinces and the regions, mandated to keep records of registered trade unions, do not share the data with the public. The Federal Bureau of Statistics publishes the compiled figures of trade unions in its annual Pakistan Statistical Year Book, the last being published in 2014 based on the 2008 data. According to this last available official figures, there were 854 reporting trade unions with a total membership of 182,429. This translated in to 213 members per trade union and 0.33 per cent trade unions density in a work force of 53.72 million in 2008.¹¹⁵

Erosion of trade unionism in Pakistan is attributed to a number of factors both external (i.e. global transformation of production, structural changes in economy, government policies, privatisation, restrictive labour legislation, expansion of the informal sector) and internal (i.e. ethnic division, disunity, weak and visionless leadership, power politics). Formal trade unions have lost in membership, financial strength and political influence and failed to respond to the changing needs of the country's workforce which is young, informal, exposed to modern issues and perspectives, though still less equipped in education and skills.

Despite the absence of a unified labour movement and strong trade unions, collective struggle remained the only

¹¹³ Ibid.

¹¹⁴ http://www.ilo.int/islamabad/info/public/pr/WCMS_469512/lang--en/index.htm

¹¹⁵ http://www.pbs.gov.pk/sites/default/files/Labour%20Force/publications/lfs2008_09/results.pdf

solution to raise voice against violation of labour rights and unjust practices at work places. A number of struggles waged by the existing unions and informal workers' groups in various sectors (public, corporate, informal) were recorded in the year 2016. Most of the struggles and campaigns related to wages—timely payment of wages, minimum wages, wage raise—and access to rightful benefits. The year also witnessed increasing demands from unions and workers group for improved occupational safety and health at work places. Protests against privatisation, unlawful dismissal from work, corruption in recruitment and other work practices were registered by public sector workers. The tools used were street rallies, demonstrations, press conferences.

Despite issues of governance and efficiency, Labour Courts remain an important tier of judiciary to resolve industrial disputes and dispense justice to aggrieved workers. Currently there are 11 Labour Courts functioning in Punjab, eight in Sindh, six in Khyber Pakhtunkhwa and four in Balochistan. A large majority of cases, filed or pending, relates to the public sector entities and large-scale industries. It is difficult for informal sector workers to access labour judiciary as they often lack documentary proof of employment.

Labour Struggles in the Public Sector

Pakistan Steel Mills

The workers of the Pakistan Steel Mills struggled throughout the year 2016 to get their due wages and benefits. The

workers staged sit-ins and rallies and confronted the riot police. The Steel Mills closed operations in June 2015 due to financial losses. A work force of 12,800 was left to face uncertain future.¹¹⁶ With the exception of the operations, a section where the workers have nothing to do after the shutdown, the employees at maintenance, administration and machine shops remained engaged in duties.¹¹⁷ About 500 workers and 300 officers retired during 2016. Of them, 100 employees were able to secure gratuity and due benefits through a court settlement in November 2016.¹¹⁸

The PSM workers' hardship and uncertainty of future was caused by delay in decision making by the Government of Sindh (GoS) which expressed interest in acquiring PSM in October 2015 after the Privatisation Commission approved the transaction structure. The GoS made the acquisition conditional in February 2016. In March the Commission responded to its request and made the final offer.¹¹⁹ In July the federal government resumed the privatization process following inconclusive discussions with the government of Sindh.¹²⁰

Pakistan International Airlines

In 2016, the employees of the national airlines put up resistance against privatisation of the public sector entity incurring huge losses. Earlier they had held meetings with government officials and the PM formed a committee to review the demands of the workers.¹²¹ In late January 2016, the workers under the platform of the Joint Action Committee of PIA employees went on a country-wide

¹¹⁶ <https://www.dawn.com/news/1305421>

¹¹⁷ Source: a labour activist and worker at the PSM

¹¹⁸ Ibid.

¹¹⁹ http://privatisation.gov.pk/?page_id=2519

¹²⁰ <http://nation.com.pk/business/14-Oct-2016/govt-sets-new-deadlines-for-privatising-pia-psm>

¹²¹ The News, 18 Dec 2015, <http://labourwatchpakistan.com/forms-committee-pia-workers-demands/>

strike when the National Assembly approved the PIAC (Conversion) Bill 2015, the first legal step towards privatisation of the national airlines.¹²² In February, the pilots suspended the flight operations and during a protest rally in Karachi, security forces opened fire, killing two workers and injuring eight. The next day the federal government invoked the Essential Services Maintenance Act 1952 for six months abolishing various rights of PIA employees, including that of strike, and banning the union activities.¹²³

The violence against workers brought out full support from trade unions, labour organisations, workers groups human rights activists and civil society. A petition was filed by the workers and their supporters in the Supreme Court against imposition of the Essential Services Act.¹²⁴ After an amendment that restricts the government for divesting more than 49 per cent of equity stake in PIAC and the provision of legal protection to existing employees, the Assembly in its joint session passed the PIAC (Conversion) Bill.¹²⁵

Pakistan Railways Porters

In April, 300 porters at the Karachi Cantonment Station went on strike demanding abolition of the exploitative contract system. The decision was taken by the porters, known as coolies, as a group when the contractor increased his commission from 30 per cent to 40 per cent of porter's daily earning, beside a monthly fee of Rs.750.¹²⁶ There is no union of the porters and as they are contract workers, railway unions induct do

not them as their members.

On 6 April several of the protesting porters were beaten by unidentified men in the presence of the police. Several injured were admitted to the hospital, while others were arrested and jailed on false charges of rioting, and rioting with deadly weapons. The arrested workers were bailed out by a group of lawyers who took up the case.

The coolies are at the bottom tier of contractual labour. Unskilled, hailing from marginalized communities, they are not counted among the 85,000 employees of Pakistan Railways. The contracts of supply of coolies are auctioned by the railway authority. The terms and conditions of the contracts are known only to the contractors and the state officials and not shared with the coolies.

Lady Health Workers' Programme

The struggle of the All Pakistan Lady Health Workers Welfare Association to access their rights of timely payment of wages and job security, and against sexual harassment at workplace, continued in 2016. In March, the lady health workers staged a sit-in near the Chief Minister's house in Karachi against delayed payment of salaries and for improved service structure.¹²⁷ In May, around 1200 lady health workers and supervisors held street rallies in Peshawar, Khyber Pakhtunkhwa, to protest against three months' delay in payment of their wages. They also demanded services confirmation letters which the provincial government did not issue after the 2012 Supreme Court order for regu

¹²² <https://www.dawn.com/news/1235695>

¹²³ <https://www.dawn.com/news/1236961> <https://www.dawn.com/news/1236961>

¹²⁴ [https://www.thenews.com.pk/print/96621-SC-moved-against-PIA-privatisation-Essential-Services-Act-TheNewsInternational-National+\(Pakistan+News++The+News+International\)](https://www.thenews.com.pk/print/96621-SC-moved-against-PIA-privatisation-Essential-Services-Act-TheNewsInternational-National+(Pakistan+News++The+News+International))

¹²⁵ http://privatisation.gov.pk/?page_id=2519

¹²⁶ <https://www.dawn.com/news/1250317>

¹²⁷ Daily Dawn, 11 March 2016, <http://labourwatchpakistan.com/traffic-jam-as-lhws-protest-non-payment-of-dues/>

larisation of their services.¹²⁸

In June, the workers held demonstration outside the Press Club in Mirpur Khas, Sindh, demanding the payment of their wages held by the treasury for the last four months. The LHWs also demanded justice for one of their colleagues who had been sexually assaulted. No investigation or any effort was made to bring the offender to justice.¹²⁹

A big achievement of the lady health workers' persistent years-long struggle materialised in August 2016 when the Punjab government finally issued notification of regularisation of services of 52,000 lady health workers serving in the province. The Supreme Court had ordered in 2012 to include jobs of the LHWP workers in the public service structure.¹³⁰ In November, the LHWs protested against delay in payment of wages in Hyderabad and Karachi.¹³¹

The lady health workers' union also continued their legal battle to access rights. Afresh contempt of court petition was filed in the Supreme Court on 7 December 2016 to ensure timely payment of wage. There are several reasons for delay in payment but the most important factor is that the government has not yet budgeted the LHWs' salaries in non-development expenditure in the Schedule of New Expenditure (SNE). According to the union's spokesperson, the administrative department does not send the proposal of inclusion of the LHWP programme salaries in the SNE. When and if it sends the proposal, the finance department would take time to approve it and issue the advice for its inclusion in

the next year's budget. The union wants the matter resolved in the 2017-2018 provincial budgets.¹³²

Labour Struggles in the Corporate Sector

Philip Morris Pakistan Ltd

One hundred and forty-one(141) workers terminated by the multinational company from its Tobacco Purchasing and Leaf Operations departments in Swabi and Charsadda launched a round of rallies against retrenchment in Peshawar in early January and reinstatement of services demanded. Thirty-five workers were arrested in Mardan on 6 January 2016 under the Maintenance of Public Order law, which allows for up to 90 days detention without charges.

A solidarity delegation from the Pakistan Food Workers Federation (PFWF) demonstrated outside the police station following the mass arrests. The arrested workers were shifted to Bannu Jail, notorious for incarcerating Taliban activists.¹³³ Urgent action campaign coordinated by the International Union of Food and Allied Workers' Associations (IUF) the 35 workers were released on 10 January.¹³⁴

KiK Textilien (Ali Enterprises Ltd. Baldia Town)

The biggest achievement of specific labour struggles in the year 2016 related to the full and final compensation paid by the KiK Textilien Germany, the main buyer of the Ali Enterprises Ltd., Baldia Town Karachi factory where 255 work

¹²⁸ <http://dunyanews.tv/en/Pakistan/337016-Peshawar-Lady-health-workers-take-to-street-for-a>

¹²⁹ <http://www.socialistworld.net/doc/7630>

¹³⁰ <https://www.dawn.com/news/1280051>

¹³¹ <http://www.thesindhimes.com/sindh/karachi-lady-health-workers-protest-issuance-salary/>

¹³² Zeenat Hisam, Valuing Women's Care Work in Pakistan: Lady Health Workers' Struggle for Rights and Entitlements, January 2017, ActionAid France & PILER

¹³³ https://www.ituc-csi.org/IMG/pdf/survey_ra_2016_eng.pdf

¹³⁴ https://www.ituc-csi.org/IMG/pdf/survey_ra_2016_eng.pdf

ers had died and injured in the fire incident on 11 September 2012.

As a result of concerted advocacy and pursuit of accountability of the international company by PILER, the Clean Clothes Campaign (a global alliance), National Trade Union Federation, the affected workers' family and, the ILO held a meeting in May 2016 in Geneva with the German Federal Ministry for Economic Cooperation and Development, representatives of KiK, the Clean Clothes Campaign and the IndustriAll Global Union. In late July-August, the ILO sent its fact-finding mission to Pakistan to consult with stakeholders (Sindh government officials, affected workers and families, PILER representatives and lawyers). The ILO mission submitted its report on 9 September.¹³⁵

On 6 September 2016, an agreement was reached between Kik, CCC, IndustriALL and ILO, under which Kik agreed to pay US\$ 5.15 million "...irrespective of previous contribution paid, in order for the victims to receive benefits in accordance with the Sindh Employees' Social Security Act, 2016 or the minimum requirements of C.121, whichever is greater."¹³⁶ The implementation of the agreement was to be facilitated by the ILO in consultation with relevant stakeholders under the supervisory role of the Sindh High Court.¹³⁷ Kik Textilion deposited the agreed fund (US\$ 5.15 million) to the ILO-Pakistan and the process of disbursed would begin in 2017.

The process of the compensation of the deceased and injured workers of the Ali Enterprises' industrial accident was initi-

ated by the Pakistan Institute of Labour Education & Research (PILER) along with the Ali Enterprises' affected workers and their families and supported by the Clean Clothes Campaign who pursued accountability of the multinational company and made the KiK Textilien signed an agreement for the immediate relief and long term compensation in December 2012. The KiK paid KiK Textilien had paid US \$ 1 million for immediate relief soon after the agreement but took four years to pay long term compensation.

Ittehad Group of Industries Pvt. Ltd.

Ittehad Labour Union Carpet Industries Pakistan (with a CBA status) succeeded in wage negotiations with the employers and obtained a wage increase of 14 per cent and a 20 per cent raise in the per foot wage rate for carpet industry workers in Lahore. The workers in five factories began negotiations in July 2016 which concluded in November, benefiting over 12,000 workers in 64 carpet washing and finishing factories. The wages of workers who wash 80 square feet of carpet a day increased from Rs14,000 to Rs16,000 per month and the wages of those working for eight hours a day increased from Rs17,000 to Rs19,000 per month.¹³⁸

Labour Struggles in the Informal Sector

Agricultural Workers (Anjuman-e-Mazarain Punjab)

The year 2016 brought a new wave of hardships and sufferings in the life the of

¹³⁵ ILO Geneva, Compensation of victims of the Baldia factory fire of Ali Enterprises, Pakistan on 11 September 2012, ILO Fact finding Mission Report and Recommendations, 9 Sept 2016, unpublished document.

¹³⁶ Ibid.

¹³⁷ Ibid.

¹³⁸ <http://www.industriall-union.org/carpet-and-power-loom-workers-in-pakistan-win-wage-significant-increase>

the Okara Military Farms workers. In April when the Anjuman-e-Mazarain Punjab began to organise for their annual convention on the Internal Day of Peasants' Struggles on 17 April as they had been doing in the previous years, the district administration issued a notice and warned the AMP not to hold the convention as Section 144 was imposed in the district.

On 16 April the AMP secretary general and several other tenants were arrested after the district official issued 30-day detention orders under Section 16 of the Maintenance of Public Order.¹³⁹ Many of the cases against AMP activists and members have been registered under Section 7 of the Anti-Terrorism Act. Despite the state's repressive tactics, the AMP went ahead with its planned convention on April 17 and thousands of tenants and activists gathered in Okara district demanding an end to state violence and seeking the release of AMP leaders and activists. According to a source, 4000 FIR were registered under general and anti-terrorism laws.¹⁴⁰ On April 21, the Lahore Anti-Terrorist Court (ATC) ordered that the Anti-Terrorism Act (ATA) charges be deleted from the FIR and asked the Okara police to present them to the local judge.

In solidarity with the Awami Workers' Party the AMP workers--men and women tenants-- held a demonstration camp outside Lahore Press Club on 26 April and shared the status of their life severely impacted after the latest repressive measures in the area—arbitrary arrests, detentions and enforced disappearances, the police and the mili-

tary pickets around the villages, linking the AMP activities to terrorism, curfew-like situation making it difficult for children to attend school and the injured and sick to access health services.¹⁴¹

A delegation of the Human Rights Watch International visited Okara district, Punjab from April 21 to 23, 2016. In its report released on 4 May the HWR advised the authorities to "...drop all charges brought against those exercising their rights to freedom of expression, association, and peaceful assembly, and appropriately punish security force members responsible for abuses against protesters".¹⁴²

The National Commission of Human Rights, Government of Pakistan, sent its 3-member delegation for a fact-finding mission to Okara in mid-May. The NCHR in its interim report, released on 27 June, observed that the 'restrictions imposed on the peaceful gatherings of AMP by the local authorities in Okara since mid-April 2016 appear to be arbitrary and not constitutional' and recommended an independent inquiry by the Commission in collaboration with the Punjab Board of Revenue to resolve the issue of the ownership of the land and the liabilities of the parties.¹⁴³

None of the recommendations materialised by the end of the year. The AMP's general secretary and several activists have remained in jail while many were released on bail and facing trials in the civilian and the ATA courts.¹⁴⁴

On May 20, women members of the AMP set up a protest camp outside

¹³⁹ <https://www.dawn.com/news/1252814>

¹⁴⁰ Aquila Naz, member Anjuman-e-Mazarain Punjab

¹⁴¹ <https://www.dawn.com/news/1254724/okara-tenants-plead-their-case-in-public-court>

¹⁴² <https://www.hrw.org/news/2016/05/04/pakistan-crackdown-farmers-protest>

¹⁴³ http://csjpak.org/wp-content/uploads/2016/08/Okara_Interim_report_3.pdf

¹⁴⁴ Source: AMP

National Press Club Islamabad demanding release of arrested tenants, removal of the FIRS and the land ownership rights. The tenants shared that they have been receiving threats for the last 16 years from the army to vacate the land. Most of the families pay Rs 25,000 to Rs 60,000 per acre annually to the army. The tenants, the media was told, are willing to pay the cost of the land but the army wants the land vacated.¹⁴⁵ On July 16, the police raided the house of Mehr Abdul Jabbar, younger brother of detained AMP office bearer Mehr Abdul Sattar.

The tenants of the Okara Military Farms have been resisting the military since 2000 when the military farm authorities replaced the batai (crop sharing) system with cash-rent. The tenants did not accept the change, stopped payment under the batai system and began the movement for ownership rights of the land their forefathers and they have been cultivating for a century. In 2013, the ruling PML-N party under Prime Minister Nawaz Sharif committed to give land ownership rights to the tenants. Different political parties, including PPP, Jamaat-e-Islami, have supported the demands of the tenants. The 16-year long struggle of the Anjuman-e-Mazarain Punjab has been supported by the country's trade union federations, trade unions, labour organisations, workers' movements, civil society and human rights groups.

Anujuman-e-Mazarain Punjab represents 100,000 registered tenants of the military and the government-owned farms spread over 70,000 acres in 10 districts

of Punjab (Okara, Khanewal, Sahiwal, Multan, Pak Pattan, Lahore, Sargodah).

Tenants in Sindh

Though there is no large-scale movement, or collective struggle of tenants in Sindh, the tenants' resistance on individual level against unjust tenant-landlord practices is on the rise. Increasing number of cases of evictions, non-payment of batai (crop share) and violence against tenants in different districts of Sindh are shared by local NGOs and community-based farmers' groups. The tenants, assisted by local activists, file applications under the Sindh Tenancy Act 1950 which provides for a dispute resolution procedure before a Tribunal headed by Assistant Commissioner in each taluka.

Under the Tenancy Act, the landlord cannot evict the tenant forcibly. He is legally bound to settle dues of the tenants and follow the rules given in the Tenancy Act to get his land vacated. However, as soon as a tenant files an application in the Tenancy Tribunal, the landlord registers a fake FIR (i.e. theft, robbery) under criminal law and acts of harassment and violence against the tenant and his family ensue. The powerful nexus between the landlord, district administration and the judiciary makes it difficult for the tenants to get justice. According to an estimate, 68 per cent of applications filed by tenants in Sindh are settled in favour of the landlords.¹⁴⁶

From January to October 2016, twenty-four (24) cases were filed by the tenants under the Sindh Tenancy Act

¹⁴⁵ <https://www.dawn.com/news/1253898>

¹⁴⁶ Source: Advocate Housh Mohammad Mangi, District Sanghar.

against eviction, and for accounts settlement, in Sanghar district.¹⁴⁷ All of these cases were pursued by a lawyer-activist facilitated by an NGO.¹⁴⁸ Out of 24 cases, 18 were pending by the end of the year.

According to a 2015 survey, 76 per cent of agricultural workers (in Shikarpur, Dadu, and Thatta) are tenants working on land belonging to large land owners. For 29 per cent of the tenants, the cultivating tenure was less than 5 years indicating the rising trend of evictions.¹⁴⁹

The eviction of farmers from Ghotki Seed Farm, Omer Dhoko Farm, and Ruk Farm were shared by the Pakistan Kissan Mazdoor Tehreek in March 2016.¹⁵⁰ There are eight seeds farms being run by the Sindh Seeds Corporation in Ghotki, Shikarpur, Nawabshah and Khairpur districts. The SSC suffers from governance issue.¹⁵¹

Agricultural workers cannot form unions. In some districts rural workers' groups have emerged in recent years. In the year 2016, rural workers' groups in Dadu, Sanghar and Mirpurkhas were registered as social welfare organisations. A rural workers' group in Umerkot was registered under the Societies Registration Act. The groups provide a platform for the tenants to come together, discuss issues and consult with civil society activists, including lawyers, how to address the issues they are facing.¹⁵²

Power Loom Workers Punjab

In early 2016 the Power Looms Workers' Union and the Labour Qaumi Move-

ment in Faisalabad campaigned to tackle the issues of overwork: the power loom owners make the weavers do the additional jobs of oilmen, cleaners and loaders in the mills. When the weavers refused to take up additional work and demanded induction of cleaners and loaders under separate job categories in the mills, the power looms owners closed the mills in late January and filed extortion cases against the activists.

On 23 February, members of the power loom workers' union and the Labour Qaumi Movement held a demonstration at the District Commissioner's office asking the administration to take up the issue with the owners, otherwise they would organise a long march. The workers called off the long march when the district administration constituted a tripartite eight-member committee, comprising representatives of power loom owners, LQM, labour department and the district government.¹⁵³

The issue, however, remained unresolved and the mills were not opened by the owners. On 2 March, the workers again staged a sit-in at the DCO's office. On 8 March, the workers took to the streets. Finally, after more than a month of closure of the mills, an agreement was signed between the workers and factory owners on 12 March. The workers agreed to take up additional work of oilman thrice a week. The owners committed not to take any action against the workers, issue security cards, ensure implementation of health and safety laws and review the salary package of the winders.¹⁵⁴

¹⁴⁷ *Case Details*, unpublished document, PILER, Karachi.

¹⁴⁸ Advocate Housh Muhammad Mangi, facilitated by PILER

¹⁴⁹ K. Bengali, *Profiles of Land Tenure Systems in Pakistan*, 2015, PILER, Karachi.

¹⁵⁰ <https://rootsforequity.noblogs.org/post/category/land-grabbing/>

¹⁵¹ <https://www.dawn.com/news/1253559>

¹⁵² Unpublished document, 2016, PILER

¹⁵³ Daily Dawn 24 February 2016, <http://labourwatchpakistan.com/powerloom-workers-call-off-long-march/>

¹⁵⁴ <http://labourwatchpakistan.com/weavers-factory-owners-reach-agreement/>