

Joint Statement On Pakistan Decent Work Country Programme

The International Labour Organization (ILO) is a specialized UN agency which seeks the promotion of social justice and internationally recognized human and labour rights. The ILO formulates international labour through its unique tripartite structure with workers and employers participating as equal partners with governments.

Pakistan has been a Member Country of the ILO since its establishment in 1947. Pakistan's tripartite delegation consisting of Representatives of its Government through Ministry of Labour, Manpower, and Overseas Pakistanis, Employers' Association by Mr. Ashraf W. Tabani and Workers Federations by Mr. Khurshid Ahmed have been participating in the International Labour Conference of the ILO held in its headquarters in Geneva each year.

The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. Decent work sums up the aspirations of people in their working lives - for opportunity and income, for rights, voice and recognition, for family stability and personal development. The decent work is captured in four strategic objectives: fundamental principles and rights at work and international labour standards; employment and income opportunities; social protection and social security; and social dialogue and tripartism. Decent work is at the heart of global, regional, national and local strategies for economic and social progress. It is central to efforts to reduce poverty, and a means for achieving equitable, inclusive development. It is at the national and local level that the overall goal of decent work is translated into changes in people's lives. Integrated decent work country programme, developed by the ILO in coordination with ILO constituents, define the priorities and the targets within national development frameworks.

Pakistan Decent Work Country Programme has been jointly prepared by the Ministry of Labour, Manpower & Overseas Pakistanis and the ILO Office in close consultation with the national employers' and workers' organizations. A consensus on this document was reached at a tripartite consultation held in Islamabad on 24th of May 2004.

We, the undersigned, support the Pakistan Decent Work Country Programme and will work together to operationalize the programme. We shall constantly seek assistance from all the stakeholders and the donor community towards achieving this shared vision for Decent Work in the world of work.

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Background

At the Thirteenth Asian Regional Meeting of the ILO held in Bangkok in August 2001, the tripartite delegates accepted the basic concept of decent work, emphasizing that it would be the key concept that could integrate economic and social policies. In the conclusions of the meeting, delegates agreed that each country would prepare a National Plan of Action for Decent Work (DWNPA). At the meeting the ILO was asked to provide assistance to its tripartite constituents in designing such plans. In this regard Decent Work Country Programme for Pakistan has been prepared for implementation with the tripartite participation.

Preparing a DWCP is an exercise in which the tripartite constituents and the office of the ILO review national policies and on-going activities, analyzing the deficits/gaps/challenges from a decent work point of view. It is also a document that explains how the Decent Work Agenda should be integrated in national policies and programmes to be implemented by governments and social partners. It takes into consideration four strategic objectives (fundamental principles and rights at work and international labour standards; employment and income opportunities; social protection and social security; and social dialogue and tripartism) as a framework in identifying decent work deficits and prioritizing the issues to be addressed.

The DWCP-Pakistan is envisioned as a shared document to be prepared in consultation with the ILO and its tripartite constituents. However, since the Government of Pakistan has also prepared a PRSP¹ with special mention on the Employment-Poverty Nexus, the DWCP is hoped to complement the PRSP framework.

The DWCP is also envisioned to be a dynamic document that is subject to revision and change as and when deemed necessary by the tripartite constituents. It covers a span of 3-5 years to be decided by the Decent Work Task Force (DWTF) and represents a framework of co-operation to be formulated jointly by the DWTF.

Justification for a DWCP in Pakistan

The formulation of a DWCP is based on problem analysis leading towards identification of priority areas of co-operation between ILO, its social partners and other international development partners within the national development policy framework of a country. Based on a review of the key issues confronting the world of work in Pakistan, an exercise has been undertaken to identify the major decent work challenges/gaps/deficits under each of ILO's four strategic objectives.

A thematic listing of DW challenges such as that presented below, not only serves to consolidate the multiple decent work gaps and deficits under the umbrella of the decent work agenda and the DWCP but also provides a rationale for linking up of various policy frameworks that are considered to be the key instruments in the implementation of the DWCP.

¹ "Accelerating Economic Growth and Reducing Poverty: The Road Ahead". Poverty Reduction Strategy Paper. PRSP Secretariat, Ministry of Finance, Government of Pakistan (December 2003).

National Context for the DWCP

The national context for the DWCP in Pakistan is best understood from a multidimensional perspective based upon the constitutional obligations, international commitments to uphold labour standards and the framework of socio-economic development policies in conjunction with the prevailing labour market scenario.

National and International Obligations and Legal Framework

The Constitution of the Islamic Republic of Pakistan lays the foundation for a rights and commitment based approach. The State is declared responsible for enabling the people to be engaged in employment, for ensuring just and humane conditions of work, for providing and facilitating employment as well as developing a social security system which covers infirmity, sickness and unemployment. It also precludes the possibility of any gender based discrimination.

As regards international commitments relating to labour standards, Pakistan has ratified 34 ILO Conventions (33 in force) which include seven of the eight fundamental conventions encompassing freedom of association (C87 & C98), the abolition of forced labour (C29 & C105), equality at work (C100 & C111) and the elimination of child labour (C182). Pakistan has also ratified the Convention on the Rights of the Child (CRC), the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and the Anti-Slavery Convention of the UN. The national laws controlling for the incidence of child labour and bonded labour include the Employment of Children Act (1991) and the Bonded Labour System Abolition Act (1992).

The National Labour Market Scenario

A brief profile of the labour force characteristics reveals that on the basis of estimated population of 148.72 million for the year 2004 and the labour force participation rate (LFPR) of 29.61 as per the Labour Force Survey 2001-02², the total labour force is estimated at 45.05 million. Of this, 30.19 million (67.03%) is in the rural areas and 14.85 million (32.97%) is in the urban areas.

A comparison of rural and urban LFPRs reveals that the LFPR is higher in rural areas as compared to LFPR in urban areas for both sexes. However, the female LFPR is much lower as compared to the male LFPR in both areas of residence. The unemployment rate in Pakistan has increased from 7.8% in the year 1999-2000 to 8.27% in the year 2004.

The agriculture sector absorbs the bulk of the employed labour force (42.1%), followed by the community & social services sector (15.5%), the wholesale & retail trade sector (14.8%) and the manufacturing & mining sector (13.8%). A look at the occupational distribution of the employed labour force (10 years & above) reveals that the majority of the employed persons belong to the category of skilled agricultural & fishery workers (34.7%) followed by the employed workers in the elementary (unskilled) occupational group (19.4%) and the craft & related trades occupational group (16.2%).

² Pakistan Labour Force Survey 2001-02, Federal Bureau of Statistics, Government of Pakistan.

Within the non-agriculture sector, the major proportion i.e. two thirds (64.6%) of employed persons are working in the informal sector, the ratio being approximately the same for males and females.

The National Policy Environment

The key objectives of the Ten Year Perspective Development Plan (2001-2011) of Pakistan operationalized through the Three Year Development Programme (2001-2004)³ are to accelerate GDP growth, reduce unemployment and alleviate poverty along with improving competitiveness by promoting productivity, efficiency, and quality and building a human capital base for long-term self-reliant growth.

The Perspective Plan aims to achieve reduction in unemployment through a growth revival strategy. The medium and long-term growth strategy focuses on growth revival through key thrusts on agriculture, SMEs and information technology, an important feature of the growth strategy being a leap forward in SME sector. However, short-term poverty alleviation requires directed programmes and the Khushal Pakistan Programme (KPP) has been launched with the main goal of increasing casual or temporary employment opportunities and providing essential infrastructure in rural and low-income areas.

The employment policy proposed in the Perspective Plan is based on creating the conditions for expansion of external and internal leading sectors, complemented by changes in the composition of government development expenditure. Exports have been identified as the external leading sector and Construction and Housing has been defined as the internal leading sector. In case of public expenditure, the issue is of increasing the labour-demand impact of a given amount of development expenditure.

Therefore, to reduce the unemployment rate from over the Perspective Plan period (2001-2011) requires making employment a central goal of economic policy with focused attention to core labour market issues in the context of decent work.

The Employment Strategy to Reduce Poverty contained in the Poverty Reduction Strategy Paper (PRSP) of Pakistan is based on the premise that generation of productive employment is an important policy goal in any meaningful programme of poverty reduction. The PRSP also recognizes that an employment strategy must be imbedded in an overall strategy for human resource development that combines investment in human capital, with the creation of productive employment, leading towards fuller utilization of human resources and minimizing mismatch in the labour market. The issue of labour market flexibility and employment absorptive capacity of different sectors is also flagged in the PRSP.

The PRSP has emphasized that agriculture, SMEs, information technology & telecommunications, energy and housing & construction sectors are expected to be the main engines of growth having great employment generation potential. It is also asserted that the Government aims at increasing job opportunities by providing an

³ Ten Year Perspective Development Plan 2001-11 and Three Year Development Programme 2001-04, Planning Commission, Government of Pakistan, Islamabad, 2001.

enabling environment for private sector development through diverting public spending on investment in social and physical infrastructure.

More specifically, the thrust of the Employment Strategy will be to focus on boosting employment-led growth. In this context, four sectoral priorities are being pursued, namely the housing & construction sector as the internal leading sector, the labour-intensive export sector (especially the high value-added items) as the external leading sector, supporting the growth of SMEs and increasing the labour based content in public sector investment, especially in infrastructure and rural development.

Enhancing women's participation in self-employment is a key priority. All programmes and initiatives for the SME sector development focus on providing maximum services to women. The First Women Bank Limited is such an initiative with a mandate for enhancing SME participation of females through provision of financial and non-financial services. Currently, the bulk of loans of Khushali Bank are being disbursed to women, the Pakistan Poverty Alleviation Fund (PPAF) works to ensure that appropriate Business Development Services are extended to women and the Small and Medium Enterprise Development Authority (SMEDA) has a fully operational Women Entrepreneurship Development (WED) Section.

Overall, the Ten Year Perspective Development Plan (2001-2011), the Three Year Development Plan (2001-2004) and the PRSP contain the framework of employment led growth which can be further strengthened by linking it with the decent work concept through the DWCP initiative in Pakistan.

The Labour Policy announced by the Government of Pakistan in 2002 highlights the following measures in its plan of action:

- Promotion of social dialogue, especially through the bilateral forum of Workers Employers Bilateral Council of Pakistan (WEBCOP).
- Consolidation, simplification and rationalization of labour laws into six categories (industrial relations, employment conditions, payment of wages, human resource development, occupational safety & health and labour welfare & social safety net).
- Human resource development through technical and vocational training with an emphasis on public-private partnerships like the Skill Development Councils.
- Provision of effective social safety net to workers.
- Combating child labour and bonded labour.
- Elimination of gender discrimination.
- Consultation with all stake-holders for progressive extension of labour welfare measures to agricultural workers, non-agricultural informal sector workers, seasonal workers and home-based workers.
- Review of labour arrangements for contractual workers.
- Establishment of a National Tripartite Occupational Safety and Health Council.
- Development of a Labour Market Information System (LMIS).
- Encouraging research on labour issues with the aim of informing policy decision-making.

Other policy documents which are directly relevant for implementing the decent work agenda and the DWCP are the National Policy and Action Plan to Combat Child Labour (2000) and the National Policy and Plan of Action for Abolition of Bonded Labour and Rehabilitation of Freed Bonded Labourers (2001). The implementation of both the above mentioned plans is being supported by technical & financial assistance from ILO and other donors.

With regards to promoting a discrimination free conducive environment at work and enhancing labour market access for women, the Labour Policy and the National Policy for Development and Empowerment of Women provide the relevant national policy context. The National Policy for Women stresses on gender mainstreaming through adopting a gender sensitive approach to development. It also stresses on the integration of women into all sectors of development by way of social, economic and political empowerment of females through institutional and legal supportive mechanisms.

The institutional framework that bears relevance for the DWCP comprises mainly of the Ministry of Labour, Manpower & Overseas Pakistanis, its attached departments and its tripartite institutional structures, the provincial labour departments, the Planning Commission, the PRSP Secretariat located in the Ministry of Finance, the Ministry of Women Development, Social Welfare & Special Education, the Ministry of Youth Affairs, the Ministry of Industries and other semi-autonomous/ statutory bodies like SMEDA, National Commission on the Status of Women (NCSW) and National Commission on Child Welfare and Development (NCCWD).

Besides these, organizations like trade unions and labour federations, the Employers Federation of Pakistan (EFP) and other employer associations, the Workers Employers Bilateral Council of Pakistan (WEBCOP) and various civil society organizations are also of vital importance in the national context of DWCP.

Decent Work Challenges

The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in condition of freedom, equity, security and human dignity. Decent work sums up the aspirations of people in their working lives –for opportunity and income, for rights, voice and recognition, for family stability and personal development, for fairness and gender equality. It reflects the concerns of governments, workers and employers, who together provide the ILO with its unique tripartite identity. In the ILO's action, decent work is captured in four strategic objectives: fundamental principles and rights at work and international labour standards; employment and income opportunities; social protection and social security; and social dialogue and tripartism.

In Pakistan although the government and the social partners have taken many initiatives, there is consensus among them on the following decent work challenges:

Strategic objective No.1: Promote and realize standards and fundamental principles and rights at work

[Standards and fundamental principles and rights at work, Child Labour & Normative action]

- Pakistan has ratified a total of 34 (33 in force) ILO Conventions. Out of the eight fundamental or core ILO Conventions relating to freedom of association, the abolition of forced labour, equality and the elimination of child labour, Pakistan has ratified seven Conventions. The more recently ratified core Conventions are C182 -the Worst Forms of Child Labour Convention and C100 -the Equal Remuneration Convention. However, there are inconsistencies between the provisions of ratified Conventions and national legislation.
- Slow pace of labour law reform in terms of the rationalization and consolidation of labour laws into six categories (industrial relations, employment conditions, wages, human resource skill development, occupational safety & health, and labour welfare & social safety net) following announcement of Labour Policy 2002⁴.
- There is limited coverage and enforcement of national labour legislation, particularly in the large and growing informal sector.
- Separate labour code is being drafted for the Export Processing Zones. There is need to ensure that the EPZ workers have legal and social protection
- Slow pace of implementation of the National Policy and Action Plan to Combat Child Labour (2000), especially after ratification of C182.
- Pakistan has not yet ratified Minimum Age Convention no.138.
- Weak implementation of the National Policy and Plan of Action for the Abolition of Bonded Labour and Rehabilitation of Freed Bonded Labourers (2001).

Strategic objective No. 2: Create greater opportunities for men and women to secure decent employment and income

[Employment policy support, Knowledge, skills and employability & Employment creation]

- PRSP has established employment poverty nexus but creating Decent Work opportunities in Pakistan remains a challenge
- Boosting productive employment opportunities through comprehensive SME sector development initiatives require more focus.
- Need to focus on gender mainstreaming as outlined in the PRSP especially with regards to the social and economic empowerment measures leading towards reduction of gender differentials in labour force participation and disparities in remuneration for work following ratification of C100.

⁴ Labour Policy , Ministry of Labour, Manpower & Overseas Pakistanis, Government of Pakistan (2002).

- Weak delivery of Vocational/Technical Training & Skill Development services
- Absence of adequate mechanisms to secure decent work opportunities for overseas employment by Pakistani skilled human resources.
- Absence of reliable and on-going labour market information system for relevant policy and programme formulation at the public and private sector levels.

Strategic objective No. 3: Enhance the coverage and effectiveness of social protection for all

[Social security & Working conditions]

- Extension and strengthening of the existing social safety nets as well as development of new mechanisms/ instruments for social security, especially in the yet uncovered agriculture sector and the large non-agriculture informal sector including home-based work.
- Inadequate monitoring of Occupational Safety and Health (OSH) standards in organized sector and the need to devise standards and monitoring mechanism for the informal sector.
- Slow progress in establishment of National Tripartite OSH Council as announced in Labour Policy 2002.

Strategic objective No. 4: Strengthen tripartism and social dialogue

[Social partners, Governments and institutions of social dialogue]

- Building capacity of social partners for constructive engagement in social dialogue by supporting institutions.
- Follow-up on the social dialogue process for PRSP.
- Ministry of Labour to play a key role in raising awareness at the inter-ministerial level regarding the need and efficacy of social dialogue in the formulation of socio-economic and macroeconomic policies.

Past Co-operation & Shared Experiences

The past co-operation of ILO with its tripartite constituents as well as the with other development partners in Pakistan has been rich in terms of lending supportive evidence for the prospects of a successful DWCP in Pakistan.

The ILO Area Office in Pakistan has followed the objective of mainstreaming its programmes and projects into the framework of national development plans and policies at the federal, provincial and local/ district levels which, in itself is an important pre-requisite for a comprehensive approach towards implementing the decent work agenda through the DWCP.

Over time, many initiatives of mutual co-operation have been undertaken on various labour issues in the context of national socio-economic development plans and policies. However, the DWCP promises to be a unique effort at taking the past co-operation forward by virtue of its linkages with a multitude of stake-holders -various ministries/ departments at all tiers of government, workers, employers, civil society and donors- in the development process. As an active member of the UN Country Team, ILO sits in various intra-agency thematic groups to ensure maximization of inputs and outcomes.

In the context of co-operation in the field of employment and poverty reduction, ILO has provided technical assistance to the Government of Pakistan for the preparation of the National Employment Policy which became a part of the Ten Year Perspective Development Plan (2001-2011) of Pakistan followed by a ILO/UNDP project on Creation of Capacity in the Planning Commission for Poverty Reduction through Employment Promotion and Better Distribution of Income, which resulted in the formulation of the Employment-Poverty Nexus for the PRSP and the Employment Strategy for Poverty Reduction. Studies were also conducted on institutional arrangements in labour markets, effect of public sector development programmes on employment generation and poverty alleviation, optimizing migration and remittances as an employment strategy and the concept and situational analysis of social protection in Pakistan.

Another initiative for employment generation has been provision of input for development of the SME Policy through recommendations based on findings from a study on a Conducive Environment for SMEs carried out under collaboration from the ILO Sub-Regional Office, New Delhi and a study on Women Entrepreneurs, a joint collaborative effort of ILO Area Office and Small & Medium Enterprise Development Authority (SMEDA).

Taking stock of all the above mentioned initiatives, it still remains to be seen how effectively these policy formulation exercises and recommendations of studies translate into effective implementation of policy actions that address the issue of poverty reduction through employment generation for adult members of the labour force while specifically seeking to address issues of child labour and bonded labour through targeted interventions.

A unique initiative for skill development is being undertaken through implementation of the Training for Rural Economic Empowerment (TREE) Project in coordination with the US Department of Labor (USDOL) for youth, women and the disabled in two districts of the rural areas. ILO has also launched a project to study the demand side determinants of trafficking.

The significant on-going co-operation of ILO with its social partners and civil society in the fields of child labour and bonded labour must be mentioned as a good example of efforts directed at aiding the implementation of national policies and plans of action. These initiatives strive to build capacity of institutions and partners and develop useful knowledge bases for informed programming at the national level. These programmes are mainly implemented in the informal sectors of the economy and seek to extend social protection and particularly occupational safety and Health (OSH) measures to these sectors.

ILO is supporting the implementation of the National Policy and Action Plan to Combat Child Labour (2000) under the ILO-IPEC programme with inter-ministerial and civil society coordination. The National Time-Bound Programme (TBP) for Elimination of the Worst Forms of Child Labour has been launched under the ILO-IPEC programme to help implementation of C182. An initiative on the child domestic workers has also been launched to complement the Government's initiative in addressing the issues of working children, especially those in difficult circumstances. These programmes contribute not only towards fulfilling Pakistan's national commitments but also its international commitments pertaining to the Millennium Development Goals (MDGs) and Education for All (EFA) targets.

The implementation of the National Policy and Plan of Action for the Abolition of Bonded Labour and the Rehabilitation of Freed Bonded Labourers is being supported through ILO's Special Action Programme to Combat Forced Labour (SAP-FL). A Bonded Labour Research Forum was convened jointly by the Ministry of Labour and ILO as part of preparatory activities of the technical assistance. The Research Forum commissioned Rapid Assessments in the sectors of Agriculture, Brick Kilns, Mining, Carpet Weaving, Hazardous industries (Tanneries, Construction & Glass-Bangles), Begging and Domestic Service to assess the nature and significance of bondage in these sectors and to help design projects of support based on the findings of the rapid assessments. Two Base Line Surveys on Bonded Labour (of Haris in Sindh and Brick Kiln Workers in Punjab) have also been conducted by the Federal Bureau of Statistics (FBS) in collaboration with the ILO.

The ILO collaboration with the Planning Commission and the PRSP Secretariat with regards to the employment strategy for poverty reduction has proved to be instrumental in linking core labour issues of child labour and bonded labour with the poverty reduction strategy.

A very important area of co-operation has been the ILO support to promotion of social dialogue and tripartism. The on-going technical assistance to Workers Employers Bilateral Council of Pakistan (WEBCOP), the collaboration with the Ministry of Labour in holding the Pakistan Tripartite Labour Conference (PTLC) in 2001 after a lapse of thirteen years and in organizing workshops and seminars at the federal and provincial level both on the specific subject of social dialogue as well as to enhance the process of social dialogue on topical labour market issues have proved to be effective in building the capacity of tripartite social partners for meaningful engagement with policy makers.

Process of DWCP Formulation in Pakistan & Lessons Learnt

Given that the DWCP is to be a shared document for collective action which 'incorporates the needs and perspectives of each of the ILO's constituents, mobilizing their energy and resourcefulness....' (Director General's Circular No. 1/598) and in line with the directive in Circular 1/599 the DWCP formulation process was extensively consultative which included consultations with the Federal Ministry of Labour, the Planning Commission, the PRSP Secretariat in the Ministry of Finance, the Employers Federation of Pakistan, the trade union partners in the provinces and

the ILO programme and project staff. A consensus on this document was reached at a tripartite consultation held in Islamabad on 24th of May 2004.

Very important lessons were learned during the consultative process: The main observed positive features were:

- frank expression of issues and constraints
- a sense of awareness, ownership and commitment with a sense of strategic thinking amongst the tripartite constituents to carry forward the DWCP agenda
- The consultative process followed a consensus-building approach leading to the identification of priority areas to be addressed in the DWCP through collective actions by all stakeholders

The main observed negative features of the DWCP consultative process which emerged due to time and resource constraints are as follows:

- Selectivity had to be exercised in the choice of tripartite social partners (worker, employers and government) for engagement in the consultative process.
- The provincial and local governments as well as elected representatives could not be included in the consultative process.
- There was no sharing of views with tripartite plus partners namely civil society and donors on the issue of DWCP.
- There was an awareness gap amongst the tripartite constituents regarding the conclusions reached in the 13th Asian Regional Meeting of the ILO (Bangkok, 2001) about implementing the DW Agenda through development of DW National Plans of Action (subsequently entitled Decent Work Country Programmes) by ILO member states.

Broad Priority Areas of Co-operation:

The consensus-based broad priority areas of co-operation that have emerged from the group work of the National Tripartite DWCP Consultation are reflective of the participative and consultative nature of the process adopted for and followed at each step during DWCP formulation.

The participants of the national consultation largely comprised of the representatives of the workers & employer organizations and the government ministries that had been consulted earlier individually as part of the DWCP consultative process. Further, the active involvement of some of the participants in providing input for the DWCP matrix on prioritized actions to meet the decent work challenges by each of the four strategic objectives served as a catalyst in shaping the outcome of the group work across each of the four working groups to arrive at broad priority areas of cooperation in the medium to long term.

The four broad priority areas for the DWCP that emerged through consensus from the Government, Employers and Workers were:

- Labour Law Reform
- Employment Generation through Human Resource Development specifically by way of Skill Training
- Expansion of Social Protection including the Informal Economy
- Promoting Tripartism for Social Dialogue

Promoting decent work is a shared responsibility of the ILO and its constituents: the Government, the employers and the workers. In order to address the above broad based priority areas decent work country programmes provides a framework to determine, with the participation of the constituents, priority areas of cooperation in accordance with ILO's mandate and strategic objectives. DWCPs are ILO's contribution to national plans and programmes, including PRSPs, development assistance frameworks and common country assessments. ILO will work very closely with the UN Agencies, multi and bilateral agencies and the donor community to seek their support and cooperation to address the identified priority areas in the DWCP.

The table in **ANNEX A** provides details of the medium and long-term outcomes along with planned outcomes. These broad priority areas will be converted into actions by the envisioned Decent Work Task Force. However, several prioritized actions enlisted below in the social protection and social dialogue areas of cooperation are already being addressed to an extent by ILO in the short-term.

The short-term outcomes are provided in **Annex B** that reflect ILO's current assistance contained within the framework of the current biennium.

Operationalization of DWCP

The Ministry of Labor, Manpower and Overseas Pakistanis is mandated to perform the functions broadly related to policy formulation regarding labor administration manpower planning and employment promotion. As the subject of labor and employment under the Constitution of the Islamic Republic of Pakistan, 1973 is on the concurrent legislative list, the Ministry functions in close coordination with the Provincial Governments in these fields.

The federal and provincial governments in respect of every financial year present before the national and provincial assemblies a budgetary statement of the estimated receipts and expenditure of their respective governments for that year. This is normally done in the month of June so that the assemblies are in a position to vote on the budget before the beginning of the next financial year.

There are constitutional provisions for financial assistance to the provinces, both as grants-in-aid and a share of federal taxes based on a five-year award made by the National Finance Commission, which are reflected in the annual estimated receipts of the provincial governments. The share of the provinces from the divisible pool is currently based on population size. Further, from the provincial budget allocations are made to the district/ local governments based on the district plans. As such, within the perspective of the implementation of the DWCP that will need to leverage national resources, donor resources, resources from employers and workers organizations and ILO resources, the DWCP will have to be operationalized at the national, provincial and local levels.

- Discussions in the national consultative process agreed that, as suggested by the Secretary, Federal Ministry of Labour, a Decent Work Task Force (DWTF) should be constituted that would provide not just advice and support but will be a working group of a tripartite nature that will also design projects under the DWCP framework and be responsible for their implementation and monitoring. It was agreed that the Task Force should be housed in the Federal Ministry of Labour being a neutral body for all concerned stakeholders.
- The ILO would provide initial seed funding to kick off the DWTF. It is envisioned that the TA may include the provision of an advisor/consultant to set the terms of reference of the DWTF, to facilitate initial planning meetings for the DWTF to identify activities, to liaise with the national machinery concerned, the workers and employers at a broader level and with donors, the UN system and ILO projects. The advisor/consultant could also assist in drafting project documents and in identifying national, ILO and other resources. The TA could be designed for 12 months initially.
- A Joint Statement would be signed between ILO, the Ministry of Labour, representatives of Employers' and Workers' Organisations to carry forward the DWCP.
- ILO Technical Cooperation projects especially the National Steering committees of the IPEC programme; the Bonded Labour programme and the Skills Development programme would be used as entry points to carry the DWCP forward. Other national committees such as the PRSP implementation Secretariat would be used as an entry points. The PRSP Secretariat has also pledged active support to the DWCP.
- Advocacy campaign for raising awareness on the DWCP will be carried out and other stakeholders be identified for a more concerted, unified and holistic approach. ILO is viewed more as a catalyst and service provider for capacity development in the DWCP process.

Performance Monitoring & Evaluation of DWCP

The decent work agenda brings together the four strategic objectives/ goals of the ILO: rights at work, employment, social protection and social dialogue in a consolidated and gender sensitive manner. It provides for integration of social and economic policies and promotes inter-sectoral approaches to address issues related to the world of work. The DWCP aims to advance the decent work agenda through establishing the decent work concept as a key component of development policies

leading towards decent work becoming a national policy objective of the tripartite social partners as well as other national and international development partners.

However, in order to effectively promote the goal of decent work, it is imperative that all stakeholders should be able to measure decent work deficits/ gaps and monitor progress towards decent work using a set of decent work indicators. Since decent work is a broad concept, some dimensions of decent work are easily measurable through quantitative techniques using statistical databases while other dimensions are more qualitative in nature.

The set of indicators for decent work developed by ILO provide a basis for performance monitoring and evaluation of the DWCP using an indicator based approach. The following eleven groups of indicators suggested by the ILO Policy Integration Department can be used as a guide for developing DW indicators for DWCP in Pakistan through a consultative and consensus based approach:

1. Employment Opportunities
2. Unacceptable work
3. Adequate earnings and productive work
4. Decent hours
5. Stability and security of work
6. Combining work and family life
7. Fair treatment in employment
8. Safe work environment
9. Social protection
10. Social dialogue and workplace relations
11. Economic and social context of decent work

The work on the DW Indicators will build upon and utilize the information content of the National Labour Force Survey (LFS), The Pakistan Integrated Household Survey (PIHS) and the Household Income and Expenditure Survey (HIES) conducted on a regular basis by the Federal Bureau of Statistics of the Government of Pakistan.

The Labour Force Survey is a regular feature of the Federal Bureau of Statistics (FBS) of Pakistan and provides detailed labour force statistics for overall Pakistan as well as by provinces and rural/ urban areas of residence. As mentioned in Chapter 4, ILO is a member of an advisory committee for the improvement of the Labour Force Survey (LFS) of Pakistan through which it is working for the inclusion of the DW indicators in the LFS.

The Federal Bureau of Statistics is also in the process of conducting the Core Welfare Indicator Questionnaire (CWIQ) Survey to monitor the progress of the PRSP. The CWIQ includes a section on employment which can provide useful input for the DW indicators.

The work on indicators being developed to monitor progress towards achieving the MDGs, especially in the context of MDG # 3 (Promote gender equality and empower women) and MDG # 8 (Develop a global partnership for development in cooperation with the developing countries for decent and productive work for youth) can also be linked to the development of DW indicators.

Medium and Longer Term Strategy to Address Priority Areas

ANNEX A

The following matrix was prepared in consultation with the Government, the Employers and the Workers and was endorsed by the participants of the Tripartite Consultation. It is the shared responsibility of the Government, the employers and the workers, along with the ILO to address the following priorities with the cooperation of the UN Agencies and the bi-lateral & multi-lateral donors.

Decent Work Challenge	Prioritized actions	Expected outcome
Inconsistencies between the provisions of ratified conventions and national laws	<ul style="list-style-type: none"> • Amend labour laws, particularly IRO 2002; • Develop joint strategy and action plan for application of ratified conventions and labour laws; 	<ul style="list-style-type: none"> • Removal of inconsistencies in national laws and ratified conventions; • Decent work norms realized improving working conditions and quality of life of workers;
Slow pace of labour law reform as identified in recent Labour Policy	<ul style="list-style-type: none"> • Rationalisation and consolidation of labour laws into 6 broad laws through tripartite consultation through WEBCOP; • Capacity building of Ministry of Labour to expedite the law reform process; 	<ul style="list-style-type: none"> • Six consolidated and agreed laws in place and Ministry of Labour presents laws to Cabinet for approval; • Gaps and loopholes in application of labour laws will end; • Speedy social justice provided to workers;
Limited or non-application of national labour legislation in the large and growing informal economy;	<ul style="list-style-type: none"> • Amend labour laws to expand coverage of the informal sector and expand labour inspection; • Set up tripartite working group through WEBCOP to examine the issue and present recommendations; 	<ul style="list-style-type: none"> • Universal application of labour laws and social accountability standards in Pakistan;
Separate labour codes for Export processing zones	<ul style="list-style-type: none"> • Set up tripartite committee to examine proposed EPZ Labour Code; • Ensure international labour standards and labour legislation framework in EPZ Code; 	<ul style="list-style-type: none"> • EPZ workers will have legal and social protection;
Slow implementation of National Policy and Action Plan to Combat Child Labour (2000)	<ul style="list-style-type: none"> • Set up tripartite committee to examine bottle necks in implementation and recommend remedial measures; • Improve child labour laws to include worst forms of child labour concerns; • Rehabilitation of child labourers through education and training; • Prevention of further entry into child labour; 	<ul style="list-style-type: none"> • Worst forms of child labour reduced; • More national measures for the eradication of child labour;
Non-implementation of the National Policy and Plan of Action for the Abolition of Bonded Labour and Rehabilitation of Freed Bonded Labourers (2001)	<ul style="list-style-type: none"> • Set up tripartite committee to examine bottlenecks in the implementation of the policy; • Mobilise national bonded labour rehabilitation fund; • Provide effective legal assistance; • Provide rehabilitation and reintegration assistance; • Build national capacity to address the issue of bonded labour; 	<ul style="list-style-type: none"> • The practice of debt bondage for labour will be reduced;
Operationalising the Employment-Poverty Nexus in PRSP in consonance with the	<ul style="list-style-type: none"> • Set up tripartite committee to make recommendations and action plans; • Promotion of labour intensive sectors; • Ongoing monitoring of implementation; 	<ul style="list-style-type: none"> • More employment, decent work norms promoted and poverty reduced;

Decent Work agenda		
Delivery of vocational/technical training and skill development services	<ul style="list-style-type: none"> • Set up and improve systems of public-private partnership for skill development; • Ensure tripartite involvement in the formulation and implementation of HRD policies to cater to domestic and international market demands; 	<ul style="list-style-type: none"> • Men and women have access to relevant and effective human resource development opportunities; • Flexible and demand driven training system;
Productive employment through SME sector development	<ul style="list-style-type: none"> • Provision of business development financial and non-financial services to women and men; • Development of infrastructure for SME promotion; • Ensuring conducive regulatory environment for SMEs; • Application of labour standards to SMEs; 	<ul style="list-style-type: none"> • Men and women will secure decent employment and generate employment;
Increasing women's participation in the national economic mainstream under the Gender-Poverty nexus in the PRSP	<ul style="list-style-type: none"> • Specific actions to increase women's training and employment opportunities; • Increasing women workers/employers participation in national employment related planning and legislation related bodies; 	<ul style="list-style-type: none"> • Increased empowerment and employment of Women
Securing decent work overseas employment opportunities	<ul style="list-style-type: none"> • Recruitment policies to be revamped and made more transparent and fair; • Social protection clauses to be added in bilateral agreements; • Bilateral agreements with other countries increased; • Role of labour attaches in Pakistan foreign missions made more proactive; 	Decent work conditions ensured to migrant workers overseas
Efficiency, effectiveness and coverage of social safety nets and social security systems	<ul style="list-style-type: none"> • Tripartite committee to be set up to analyse the situation and draw up recommendations; • Plan of Action for the improvement of social security systems to be developed with social security experts from ILO; • Expansion of social security system to informal and agriculture economy; • Capacity development of social security governance systems; 	<ul style="list-style-type: none"> • Social security expanded to informal and agriculture sectors; • Improved and efficient social security systems;
Occupational safety and health standards	<ul style="list-style-type: none"> • Draft OSH law (developed through ILO assistance) to be assessed through tripartite consultation; • National OSH Council to be reactivated with meaningful participation of workers and employers; • Awareness on OSH issues raised; • Awareness on HIV/AIDS raised; 	<ul style="list-style-type: none"> • Efficiency and productivity of workers increased; • Workplace hazards and diseases reduced; • Concept of decent work promoted;
Capacity of social partners for constructive engagement in social dialogue at the plant level and national development level	<ul style="list-style-type: none"> • Strengthening of social dialogue forums such as WEBCOP; • Building respect for fundamental rights of workers in law and practice in line with ILO Conventions 87 and 98; • Having WEBCOP formally recognized at national and provincial levels for engagement in policy dialogue, policy implementation and monitoring; • Promote tripartism 	<ul style="list-style-type: none"> • Productive social dialogue for sound industrial relations promoted; • Workers issues will be mainstreamed in socio-economic and macro-economic policies;

Implementation Plan with the ILO Assistance: Short Term Outcomes

This chapter outlines the agreed priority areas in the short term that are already being implemented in Pakistan through ILO assistance with various stakeholders or are in the pipeline for early implementation. They fall within the broad areas of medium and long-term outcomes defined above. All the following actions contribute to Pakistan's international and national commitments articulated in various laws and policy documents. Gender equality concerns cut across all ILO actions and are being further strengthened through concerted capacity building exercises.

Strategic Objective 1: Promote and realize standards and fundamental principles and rights at work

Decent Work Challenge	Objective	Outcomes	Expected Outputs	Main Activities	Inputs	Status of cooperation
Non-application of labour laws and related national policies	Application of existing national instruments related to child and bonded labour and human trafficking.	<ul style="list-style-type: none"> National Policies on Child and Bonded Labour & related legislation Employment of Children Act 1991 and Bonded Labour System Abolition Act 1992 implemented in line with ILO conventions ratified by Pakistan; Worst Forms of Child Labour reduced; Incidence of bonded labour in agriculture and brick kilns reduced; Knowledge base on human trafficking in Pakistan strengthened; 	<ul style="list-style-type: none"> Worst Forms of Child Labour Concerns integrated in national child labour policy; National capacity built on addressing WFCL; Child Domestic Labour recognized as ahazardous form of child labour; Bonded labour policy mobilized; National capacity for addressing bonded labour issues enhanced; Strategies and programmes for addressing bonded labour implemented; Informed strategy to address the trafficking of women and children; 	<ul style="list-style-type: none"> ILO Project of Support to the National Time Bound Programme implemented ILO IPEC sector specific projects implemented ILO TC project for the prevention and elimination of bonded labour implemented ILO technical assistance to Ministry of Labour for implementation of national bonded labour policy implemented ILO sub-regional project on trafficking of women and children implemented 	<ul style="list-style-type: none"> Time Bound Programme resources; ILO IPEC Surgical Industry project resources; ILO IPEC Carpet manufacturing project resources; ILO IPEC Education and Skill training project resources; ILO IPEC Child Domestic Workers project resources; Bonded labour project resources TICSA project resources 	All ongoing/active through extra-budgetary resources
Discrimination against women in the world of work	Promotion of Conventions 100 and 111 ratified by Pakistan	<ul style="list-style-type: none"> Women workers will secure better access to employment opportunities with equal conditions of labour; National capacity built for addressing gender based discrimination at the workplace; 	<ul style="list-style-type: none"> National draft law on equal wages for equal value of work or C100 concerns integrated in national Wages legislation; National draft law on non-discrimination at the work place; Adoption of Code of Conduct on Gender Justice at the Workplace by Government; 	<ul style="list-style-type: none"> ILO technical cooperation programme on Women's Employment Concerns implemented Gender Mainstreaming Strategy of the ILO applied in all ILO operations; 	<ul style="list-style-type: none"> Women's Employment Concerns (WEC PK) project resources; GEMS training resources; 	<ul style="list-style-type: none"> WEC PK in pipeline/proposed for CIDA funding; GEMS training through RBTC and GEMS budgetary allocation at ROAP Bangkok/pipeline/proposed

Strategic Objective 2: Create greater opportunities for men and women to secure decent employment and income

Decent Work Challenge	Objective	Outcomes	Expected Outputs	Main Activities	Inputs	Status of Cooperation
Low levels of marketable skills for entry into productive wage employment or self employment	<ul style="list-style-type: none"> Increase vocational and skills levels of rural women, disabled persons and unemployed youth; Increase vocational and skills levels of child labour and bonded labour families particularly women; 	<ul style="list-style-type: none"> Skills levels increased and productive wage or self employment promoted; Delivery of vocational and skills training services especially through encouraging public-private partnerships improved; 	<ul style="list-style-type: none"> Rural women, disabled and unemployed youth trained in 2 selected districts of Pakistan; National training facilities and other business development services improved; Target communities gainfully employed; 	<ul style="list-style-type: none"> Training for Rural Economic Empowerment (TREE) project implemented in two selected districts in Pakistan; ILO IPEC and Bonded Labour project income generation components implemented 	<ul style="list-style-type: none"> TREE project resources; ILO IPEC and Bonded Labour projects resources employment generation components 	All ongoing/active through extra-budgetary resources
Lack of reliable and systematic Labour Market Information System (LMIS)	Establish an ongoing, systematic and reliable LMIS at national level	<ul style="list-style-type: none"> Labour market trends, demands and needs identified; Informed and relevant labour and manpower development policies and programmes; Relevantly trained human resources developed for internal and external labour market absorption; 	<ul style="list-style-type: none"> Ongoing, systematic and reliable LMIS for labour market monitoring at Ministry of Labour or Planning Commission of Pakistan; 	<ul style="list-style-type: none"> Implementation of Government PC1 with ILO assistance; 	<ul style="list-style-type: none"> ILO resources and Government PSDP 	In pipeline/proposed for ILO clearance and funding allocation for cost sharing with Government
Decent employment for poverty reduction	To operationalise Decent Employment Strategy for Poverty Reduction	Men and women will secure decent employment conditions under the PRSP and other national planning instruments and programmes in Pakistan	ILO assisted Employment Strategy for PRSP adopted and implemented by Government	<ul style="list-style-type: none"> National Tripartite consultation on Employment Strategy; Launch of National Employment Strategy from Planning Commission of Pakistan; 	UNDP funded technical assistance for strengthening the Centre for Research on Poverty Reduction and Income Distribution project resources	Ongoing/active

Strategic Objective 3: Enhance the coverage and effectiveness of social protection for all

Decent Work Challenge	Objective	Outcomes	Expected Outputs	Main Activities	Inputs	Status of Cooperation
Dispersed and inadequate sector specific provisions for occupational safety and health	Finalization of an overarching and consolidated OSH law to cover all sectors of the economy	<ul style="list-style-type: none"> Occupational and safety standards will be improved; Existing institutional and monitoring mechanisms will be reactivated; 	<ul style="list-style-type: none"> Draft tripartite consensus based OSH law presented to Ministry of Labour for submission to parliament; 	<ul style="list-style-type: none"> Finalization of draft law prepared in previous biennium through tripartite consultation 	<ul style="list-style-type: none"> ILO Islamabad RBTC 	Active/ongoing
Inefficiency and inadequacy of existing social safety nets	Improving effectiveness, efficiency and coverage of existing social safety nets and developing new mechanisms for social security	<ul style="list-style-type: none"> More people/workers benefit from social security/safety net schemes 	<ul style="list-style-type: none"> Diagnosis of gaps of existing systems; Improvement of systems through informed interventions; Introduction and testing of new mechanisms 	<ul style="list-style-type: none"> Implementation of technical cooperation project on improving the efficiency and effectiveness of social security mechanisms 	<ul style="list-style-type: none"> Extra-budgetary resources 	<ul style="list-style-type: none"> Proposed

Strategic Object 4: Strengthen tripartism and social dialogue

Decent Work Challenge	Objective	Outcomes	Expected Outputs	Main Activities	Inputs	Status of Cooperation
Capacity and effectiveness of social partners for constructive engagement in social dialogue	Strengthening capacity of social partners by supporting institutions like the Worker Employers Bilateral Council of Pakistan (WEBCOP)	Social dialogue will be improved and strengthened for constructive engagement for influencing national labour laws, policies, programmes and social and economic policies;	<ul style="list-style-type: none"> • Workers organizations become key players of social dialogue; • Trade unions adapt their organizational structures, research and education to new challenges; • Workers organizations analyse labour market trends and adopt employment policy proposals based on ILO concerns; • Guidelines and training materials developed locally mainly on collective bargaining and gender mainstreaming 	Implementation of Workers Activities	ILO ACTRAV/ILO Islamabad RBTC	Ongoing/active
Diminishing Trade Union membership and representation	To expand representation and membership base of workers organisations	Expanded representation and membership base of workers organisations	<ul style="list-style-type: none"> • Policies, plans and strategies adopted and implemented by trade unions to increase their representation and membership • Women, youth, migrant workers, rural and informal economy workers organized; 	<ul style="list-style-type: none"> • Implementation of Workers' Activities; • Implementation of TREE project component of community/group organization; • Implementation of WEC-PK component on increase in women's representation and effectiveness in trade unions; 	<ul style="list-style-type: none"> • ACTRAV/ILO Islamabad RBTC; • TREE project resources; • WEC-PK project resources 	<ul style="list-style-type: none"> • Ongoing/active • Ongoing/active • Proposed/pipeline