

Social Protection Systems for Domestic Workers in the Province of Khyber Pakhtunkhwa



CGPA

**CENTRE FOR GOVERNANCE
AND PUBLIC ACCOUNTABILITY**

**Centre for Governance and Public Accountability (CGPA)
&
Trium Consulting**

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Acronym	Meaning
BISP	The Benazir Income Support Program
CCI	Council of Common Interest
CEDAW	Convention on the Elimination of Discrimination Against Women
EBO	Established Business Ownership
EOBI	Employees Old Age Benefits Institutions
ESSI	Employees Social Security Institutions
FATA	Federally Administrated Tribal Areas
FSP	Food Support Program
ICLS	International Conference of Labour Statistics
ICT	Islamabad Capital Territory
IDPs	Internally Displaced Peoples
ILO	International Labour Organization
IRO	Industrial Relations Ordinance
KP	Khyber Pakhtunkhwa
MDGs	Millennium Development Goal
MFI's	Microfinance Institutions
NFC	National Finance Commission
NGO's	Non-Governmental Organizations
NSPS	National Social Protection Strategy
PBM	Pakistan Bait-ul-Mall
SMEs	Small and Medium Enterprises
SPI	Social Protection Index
WWF	Workers Welfare Funds

1. Introduction

Modern states govern through Laws, Rules, Regulations, and Policies framed there under. The legislation must be made in accordance with the legal principles derived from constitutional law ensuring protection of interests of all in the society. The legal system must also be equitable and fair enough to maintain a balance both between the demand and supply side. In this regard one of the most formidable challenge is to establish a legal regime seeking to protect the interest of both the employer and the employee. History has proved that a stable and viable labour policy ensures higher level of commercial and Industrial activities resulting in prosperity and peace for all.

Pakistan inherited a vibrant and robust labour laws regimes from its colonial past. Essentially an Agrarian and rural economy has over the years grown into formidable industrial and moving towards a services sector dominant economy not being an exception to the paths of development across the globe. This transformation has necessitated the adequate adaptation of its labour laws and policies. The labour laws in Pakistan have been protecting the formal industrial labour mainly. However, the growth in service sector has created a large space for work which is informal, home based, domestically provided and unregulated.

As stated above, Pakistan's various labour laws and regulations do not adequately protect domestic or home-based workers and constitutional safeguards are often not reflected in its policies and legislations. Within this context, the current study aims to identify gaps in the social protection systems for unregulated labour markets specifically the domestic workers in the Province of Khyber Pakhtunkhwa and to recommend adequate legislative and regulatory framework to protect domestic workers in the province.

Coupled with the adequacy of gaps in the legislative and regulatory framework the COVID 19 pandemic has severely impacted the labour markets more adversely the domestic labour and has increased the disparity manifolds in the region. As the sector is unregulated, unprotected, and undocumented, hence remained outside the scope of any meaningful social protection schemes being launched by the government as well as the philanthropic support. And the magnitude of the adverse effect was even higher in the province of KP as the Federal Govt. the Province of Sindh, and Punjab have an active Domestic Workers Protection Laws whereas KP lacks any network and system of social protection for the domestic workers because of no such legislation. The plight of the home based, and domestic workers is presumably more aggravated in the province of KP due to multiple reasons such as the Internally Displaced Peoples (IDPs), Afghan Refugees, Flood and Natural Calamities, Terrorism, Poor Law and Order had contributed to this end. It would be in the dire need to carry out a study on identifying the main issues and

challenges being faced by the domestic workers across the province of Khyber Pakhtunkhwa (KP).

The labour market of domestic workers is growing with every passing day, mainly for the reasons of growing income disparity. On the one hand there is an increasing demand for home-based and domestic workers due to rising income of the middle classes, flourishing cottage industries and SMEs in the region and for the reason of enhanced active women participation in the workforce, whereas on the other hand due to increasing poverty there is a huge workforce available for domestic employment mainly comprising of women and children which are there to add hands in earning bread and butter for the survival of their families. In recent times, Social Protection as a policy framework for redressing poverty has emerged, focusing on social vulnerability among others. In this sense, for the formulation of development policy, a key component deemed is social protection, that can support people move out of poverty and live productive and dignified lives.

The study expects to provide ample evidence to the concerned quarters to initiate and expedite the legislative measures for the wellbeing, safety, and social protection of the domestic workers. Which indeed will directly benefit all those who are in such markets and indirectly to their immediate families particularly and the lowest strata of the society in general. Whereas the long-term benefits ranging from ensuring their minimum wages, safety, registration with concerned departments, and inclusion in the prevailing and coming forth social protection schemes by the Government.

2. Social Protection: Concepts and Global Practices

The term "social protection" is defined as *"society provides to individuals and households through public and collective measures to guarantee them a minimum standard of living and to protect them against low or declining standards of living arising out of a number of basic risks and needs."*¹ Social security has been included in the UN Universal Declaration of Human Rights which entitle every individual to the social protection rights.² Many experts have pointed out that the terms "social protection" and "social security" are synonymous. The phrase is now widely used and was originally formulated by the United Nations. There are social protections schemes designed for providing the victims of contingencies such as sickness, injury due to work, disable people and those who are old age. Social protection programs have a pivotal role in maintaining a balance between the fundamentals of demand, supplies and services, and hence the entire amount of employment in the national economy, in addition to providing subsistence to recipients. Good policies in regard to social protection have positive effect by creating employment opportunities, improve human capital, and at large protect people from poverty.³ The effect of social protective policies has been great on component of social policy and societal cohesion.⁴

The current literature has highlighted various debates on social protection where other terms are used as well such as social security and safety nets which have their own distinctive role, scope and coverage. Social protection to the people of Pakistan has been provided through social security and safety nets. First, social security means when a member of a society is provided assistance through various schemes. This has a significant role on balancing an individual income during suffrage from natural disasters and other issues such as illness, death, old age, maternity, and disability.⁵ Currently, only those who work in the government sectors and have already access to such social protection are eligible for such programs.

As a result, social security has become a component of the social security system. Ad hoc emergency programs such as food assistance, employment opportunities, remittances, social welfare programs, and care services for the needy, as well as short-term plans, are referred to as "Safety

¹ Pakistan Business Council, (2011). Social Protection: Targeted, Transparent, Empowering A PBC Position Paper by the Social Protection Pane. Retrieved from <http://www.pbc.org.pk/assets/pdf/Social-Protection.pdf> (December 12, 2016)

² Alfreðsson, Guðmundur S., and Asbjørn Eide, eds. The Universal Declaration of Human Rights: a common standard of achievement. Martinus Nijhoff Publishers, 1999.

³ Khan, Ayesha. "Institutional mapping study of social protection schemes in the province of Khyber Pakhtunkhwa, 2013."

⁴ Kabeer, Naila. "Women's empowerment, development interventions and the management of information flows." *ids Bulletin* 41, no. 6 (2010): 105-113.

⁵ Norton, Andrew, Tim Conway, and Mick Foster. Social protection concepts and approaches: Implications for policy and practice in international development. Vol. 143. London: Overseas Development Institute, 2001.

Nets".⁶Thesesocialprotectioninitiativeshavehelpedto reducetherisktosociety'smostvulnerable members.

The present day definition of social security emanates from the convention on social security of 1952 No. 102 of International Labour Organization (ILO). ILO provides a guideline to a state to pursue fundamental elements of security for its citizens.⁷ The ILO highlights; "(1)To compensate for income losses, either the entire suspension of revenue-generating opportunities or a cut in earnings is adopted. Unemployment, incapacity, the death of an earner, and elderly age would all fall into the first group. Sickness, maternity (or paternity), employment injury, and so on will be included in this category. (2) Health-care provision; (3) Family with children are benefitted as sponsoring of their educations and other related expanses of children.

Social security encompasses various important features such as protection of livelihood and health provision including certain monetary benefits for families with children. The implementation and provision of all social schemes is the responsibility of a state by enacting and making social statutory schemes or programs for its citizens. Some countries have such statutory schemes which are largely tax-financed by the employers and the employs and these schemes provides the people when they are trapped in any an emergency. In case of developing countries, without addressing the basic attributes and periodic dynamics, the social security concept is not fulfilled. These countries across the globe have faced two important concerns that includes pre-dominated un-organized informal sector and the large scale poverty presence.⁸ The debate regarding benefits for formal sector and informal varies. The formal sector has provided more social protection to the people than those who fall in the informal sector.

Social protection became a much debated work in the mainstream development programs in the late 1990s. Many people works on social protection have become rich ideas and practices today. However, some experts have believed that the concept of social protection is still narrowly defined such as only including labour market intervention (child labour), social insurance (pensions) and the category of social safety nets (social funds). There are voices that the concept must be broadened encompassing more benefits for individuals, household and communities in the form of public interventions which can help them managing risk and support for the critically poor people.⁹ According to World Bank Group, the concept of Social

⁶Mohammad, Irfan. "Poverty Alleviation and Social Protection in Pakistan." (2007).

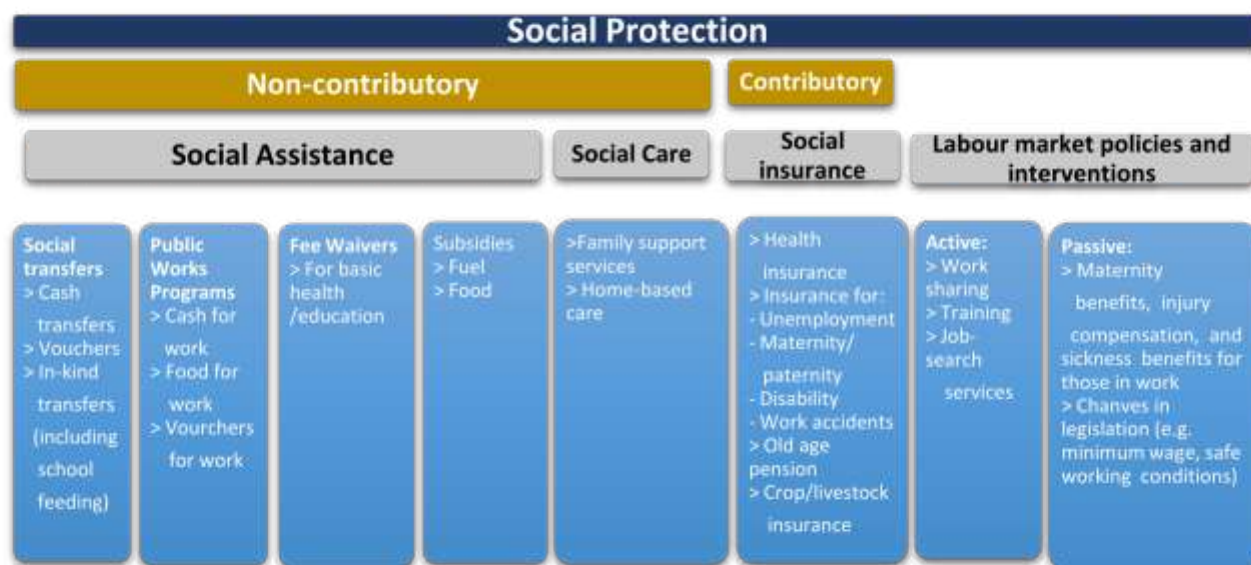
⁷International Labour Office. World Labour Report 2000: Income Security and Social Protection in a Changing World. Geneva, Switzerland: International Labour Office, 2000.

⁸Sayeed, Asad. "Social protection in Pakistan: Concept, situation analysis and the way forward." In Proceedings of a Joint Seminar Organized by the Planning Commission, ILO and UNDP on Employment-based Poverty Reduction Strategy for Decent Work in Pakistan. Pakistan Institute of Development Economics. Islamabad. 2004.

⁹World Bank. Social protection sector strategy: From safety net to springboard. The World Bank, 2001.

protection has expanded and further recommends four features of the concept. First, social protection should be observed as springboard, not only as a safety net, for the poor. Social protection programs and systems must provide a poor the capacity to leave poverty. Second, the social protection programs must be in the form of investment rather than cost. The second features have signified that if the poorer are no longer a poorer, they become better assets for economy. Third, social protection programs must base on finding the root causes of the poverty, rather than the symptoms. Fourth, a social protection program must base only transferring money to a poor person but the poorer must be made to leave poverty regardless of national disasters or at the global level. Policies related to social protection such as safety nets are mostly developed after the disasters occur; however, its implementation if shaped before the disaster occurring in a nation would have positive effect on the people. The figure below shows details of the social protection.

Figure 1. Taxonomy of Social Protection System



3. Social Protection in Pakistan

The constitution of Pakistan is a legal supreme document and law which has guided the nation in all aspects of their lives. Regarding the social security of the people of Pakistan, Article-38 of the Pakistani constitution has stated that the state shall provide the people employed in the service of the country compulsory social insurance or other means. In addition, the article guides the state by providing their citizens basic necessities of life such as food, clothing, housing, education and medical relief regardless of sex, race, creed, and caste to those who are unable to make a living permanently or temporarily due to disability, disease, or unemployment. This article further has stated that all such social protection to the citizens of Pakistan has aimed at reducing disparity in the income and earnings of an individual.¹⁰

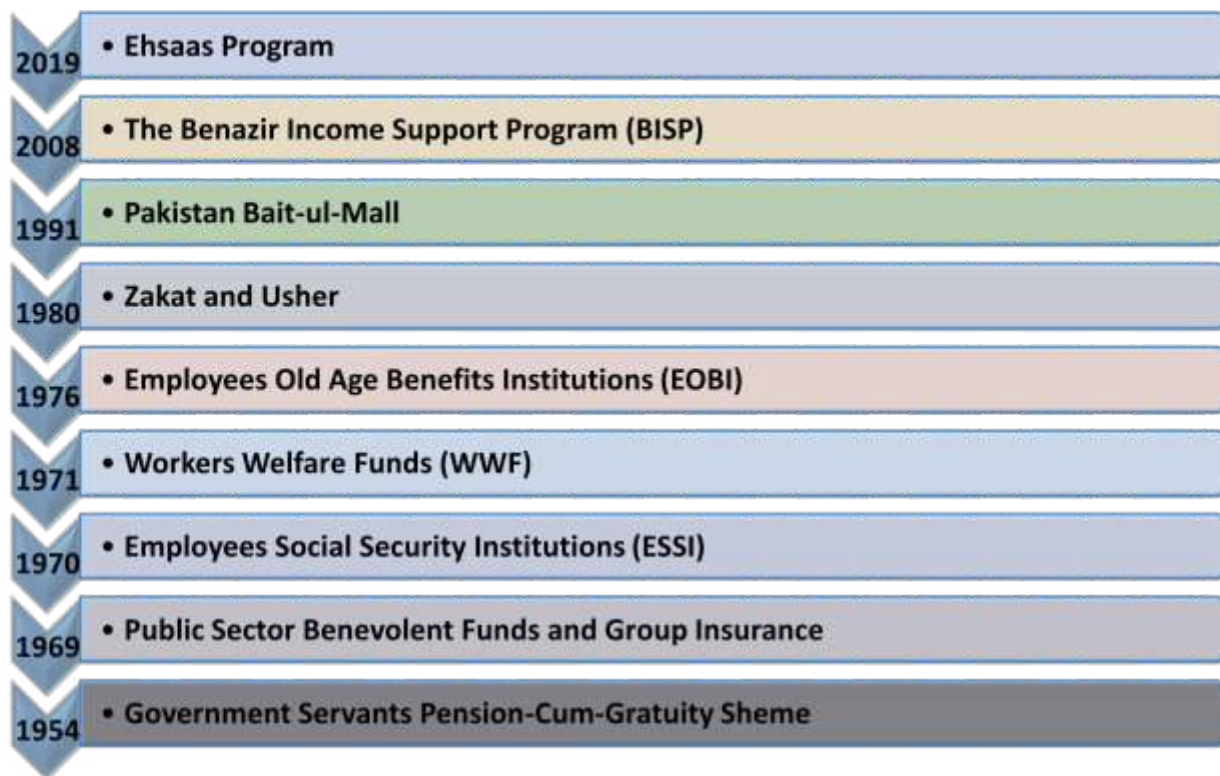
The nature and reality of social protection programs have been on ad-hoc or a response to emergency situation as a part of state social protection policy in Pakistan.¹¹ Such as status of social protection policies on ad-hoc basis is a contradiction to the commitments made in the constitution of Pakistan. Experts on the subject have highlighted some reasons. First, Like all developing countries of the world where there is scarcity of resources and unequal distribution of income, Pakistan too have these challenges. Second, frictions and violation of the constitution has been widely recorded in the case of Pakistan.¹² The picture of the social protection programs have so far restricted to the public and non-agriculture domain in the country. The history of social protection policies appeared in the populist reforms in the 1970s covered at large scale the private sector. These social programs are functional to date with some new other programs, however, the main flaw said are another major problem of the country social protection profile is the informal sector which is the main contribution of this report to be provided in the finding section. The chart below shows the sequence of social protection programs in Pakistan.

Chart. Social Protection Institutions in Pakistan

¹⁰Khalid, Iram, and Maqbool Anwar. "Minorities under Constitution (s) of Pakistan." *Journal of the Research Society of Pakistan* 55, no. 2 (2018).

¹¹Watson, Carol, Tanya Lone, Usman Qazi, Gabrielle Smith, and Faisal Rashid. "Shock-responsive social protection systems research." (2017).

¹²Azhar, Usman. "CHILD LABOUR AND VIOLATION OF THE RIGHTS OF THE CHILD IN PAKISTAN." *Journal of European Studies* 31, no. 1 (2015).



3.1 Social Protection Programs in Pakistan

Pakistan has adopted its National Social Protection Strategy (NSPS) which has targeted reducing poverty with the help of policies and programs. These social protection policies have specified people who are vulnerable. The social protection programs have aimed to increase the incomes of poor households, reducing the income disparity among poor households and efforts are made to provide fundamental needs of life. These social policies are included in the form of social safety nets, social insurance (including pensions), community programs (social programs), and labour market interventions.¹³ Pakistan created NSPS in 2007 to achieve three important objectives. First, giving support to chronically very extremely poor household, second, supporting the destitute household against unpleasant shocks and implement initiatives like investing in human and physical capitals.¹⁴ Alleviating poor facing income issues are the social protection programs where the government of Pakistan has pursued according to the fundamental rights of people enshrined in the constitution of Pakistan.

The profile of social protection comes in social security programs such as employed labour force in formal sector and those employees who are retired now. An important aspect and

¹³Jamal, Haroon, and Social Policy. A profile of social Protection in Pakistan: An appraisal of empirical literature. Karachi, Sindh, Pakistan: Social Policy and Development Centre, 2010.

¹⁴Gazdar, Haris. "Social protection in Pakistan: in the midst of a paradigm shift?." Economic and Political Weekly (2011): 59-66.

nature of social security programs are mostly intended to respond to emergency condition of a household when they are sick, invalidity, older age, maternity injury at work place etc. Experts have explored that a social protection programs must have a feature of eradicating the root causes of poverty rather than only responding to temporary emergency situation of poor people. The study in highlights in the coming section various social security programs in Pakistan which would help us understating the existing social security programs and find the gap the study has highlighted.

3.2 Social Security Programs in Pakistan

3.2.1 Government Service Fund

The government of Pakistan established the scheme in 1954. An important aspect of the scheme is providing government servants who work in various departments of the country where it is mandatory for servants to complete 25 years services or reach an age of 60. Other important dimensions of this scheme are: pension and provident fund.¹⁵ Government of Pakistan funds have used providing pension to old age and in case of provident fund a monthly salary deduction has occurred from the government employees. Such benefits in the form of pension and provident fund were enlisted in the colonial document which inherited Pakistan after its independence.¹⁶

3.2.2 Provincial Employees Social Security Schemes

The scheme was created by the government of Pakistan in 1976 under Employees Social Security Ordinance, 1965. It was introduced for formal private employment sector such as textile industry workers to help them in time of illness, injury during work time, maternity, invalidity and in case of death. The scheme was further expanded to the provinces in 1970 and It was termed as Employees Social security Institutions (ESSI). This scheme is function at the provincial level which is providing health insurance and other temporary cash transfer to the employees. Employees of in the private sector have received such benefits ranging from first aid to treatment in hospitals.¹⁷

¹⁵Arif, Umaima, and Eatnaz Ahmad. "Pension Reforms: A Case for Pakistan." *Journal of Economic Cooperation & Development* 33, no. 1 (2012): 113.

¹⁶Rehman, Fahd. "Asset allocation for government pension funds in Pakistan: a case for international diversification."(2010): 127-151.

¹⁷Zafar, M. I., S. R. S. Abbasi, Z. Batool, and I. Shahid. "a study of medical facilities provided by punjab employees social security institutions to the labourers in the faisalabad city." *The Journal of Animal and Plant Sciences (Pakistan)* (2008).

3.2.3 Public Sector Benevolent Funds and Group Insurance

In addition to private sector employment schemes, employees in public sector were also protected under such as scheme in 1969 by Federal Employees Benevolent Fund and Group Insurance Act, 1969. The scheme is functioning through other nine schemes particularly for federal employees. There are many aspects of the scheme which are: monthly benevolent grant which covers death during services and invalid retirement, marriage grant, burial charges, farewell grant, lump sum grant covering 80% disability specified by medical board, education stipend which covers two children of an employ from metric to PhD, reimbursement of semester/annual fee and cash awards for an employ children on essay writing competition.¹⁸

3.2.4 Workers Welfare Funds (WWF)

WWF as falling in the social security scheme was established in 1971 in Pakistan. The scheme has covered workers who are registered under the promulgation of the Workers Welfare Fund Ordinance of 1971. The scheme has guided the private sector industrial establishment by submitting a sum of 2% of commutable income exceeding hundred thousand rupees in one fiscal year. The industrial establishment is obligated by depositing equivalent to 5% of the profit of company to Workers Participation Fund after the distribution of workers share under the Companies Profit Act of 1986. Companies which have employed 50 or more plus having capital of Rs.2 million or fixed assets amounting to Rs.4 million. The collection of this fund is used for making houses for workers providing medical facilities, providing tricycle for disable workers, giving grant for marriage of workers daughters, providing fund for the illness.¹⁹

3.2.5 Workers Children Education Ordinance

The government of Pakistan by providing social security promulgated another ordinance for employee's children education in 1972. The ordinance has covered where a registered establishment has employed 10 or more workers. In this context, Workers Welfare Fund provided financial support building schools and the provincial administration were responsible controlling them. Education Cess was a means of providing fund for the education where every employee has contributed amount of 100 rupees annually.²⁰ Later, the Cess was abolished by the government of the Punjab.

¹⁸Jafar, Muhammad, Aliya Khalid, and Aisha Shoukat. "We Are All Made Poor Here: Adequacy of Social Protection Programs in Pakistan." *Journal of the Research Society of Pakistan* 57, no. 1 (2020): 195.

¹⁹ Bari, Faisal, Emma Hooper, Shahid Kardar, Shanza Khan, Irfan Mohammed, and Asad Sayeed. "Conceptualizing a social protection framework for Pakistan." Islamabad: Asian Development Bank. (Pakistan Poverty Assessment Update, Background Paper Series, Background Paper 4) (2005).

²⁰Sayeed, Asad, and F. Sami Khan. *Beyond Safety Nets: Provision of Comprehensive Social Security in Pakistan*. PILER Discussion Paper No, 2. Karachi, 2000.

3.2.6 Employees Old Age Benefits Institutions (EOBI)

The government of Pakistan advancing employee's social security of formal sector has introduced EOBI under Employees Old Age Benefits Act in 1976. The act has covers a registered which has employed ten or more employees. The nature of the scheme is covering pensions for old age, invalidity pensions and death grant. The act has specified that an employer would contribute 6% accumulatively and 1% by from employees' salaries. The condition for an employee that he or she must be registered employee. EOBI works under Ministry of Labour, Manpower and Overseas Pakistani and it serves as an autonomous body.²¹

3.3 Social Assistance Programs in Pakistan

In addition to social security, the government of Pakistan has introduced social assistance aiming reducing poverty among poor. Social assistance are the schemes in the context of Pakistan by transferring cash or in other kinds. The schemes cover poor people who do not comprise labour market and various institutions of government transfer the amount in cash. Examples include: Pakistan Bait-ul-Mall and Zakat are the top prominent public institutions providing social assistance to the poor people of Pakistan. Most recent social assistance program is the Benazir Income Support Program which has targeted transferring cash to all needy in the country. The coming sections highlight social assistance schemes.

3.3.1 Zakat

The scheme was established under the Zakat and Usher Ordinance, 1980. The program is committed to declining poverty by transferring cash amount to the poor in Pakistan. The zakat institution is support by an individual's contributions which administrated by the government of Pakistan. various benches of the Zakat are found at the provincial level which are: Zakat Council, district and tehsil council and the local Zakat Committee. Among such division at the provincial level, the Local Zakat Committee is committed to find an eligible poor and is the lowest level of Zakat committee. The budget of Zakat distribution by the government of Pakistan in two different ways. First, Local Zakat Committee received 75% while other institutions 25% of it.²² The mechanism for disbursing such social assistance to the needy in Pakistan come through various programs such as Guzara allowance, educational scholarship, health care assistance, patients with leprosy and other programs such as Edi Grants and marriage assistance.

²¹Iqbal, Muhammad Javaid. "Bonded labour in the brick kiln industry of Pakistan." (2006).

²²Suhaib, Abdul Quddus. "Contribution of Zakat in the Social Development of Pakistan." Pakistan Journal of Social Sciences (PJSS) 29, no. 2 (2009).

Amendments in the constitution of Pakistan particularly the 18th amendment changed the Zakat and devolved to provincial and Federal level. Another millstone was achieved by the government of Pakistan was the creation of Council of Common Interest (CCI) under Article 153 of the constitution of Pakistan. CCI objective is to resolve conflict between the federal and provincial government.²³ The function of CCI is to collect and distribute Zakat between federal and provinces under the platform of Federal Ministry of Religious Affairs and Inter-faith Harmony. Such function of CCI has happened to the award of National Finance Commission (NFC). The documents which recorded ministry distribution were RS.4778.18 million among the Federally Administrated Tribal Areas (FATA) and the provinces in Pakistan.²⁴ The Table below shows the distribution Zakat to provinces, federal territory and FATA respectively.

Table . Distribution of Zakat

Sr. No.	Provinces / Other Areas	Disbursement Amount (Rs. Millions)
1.	Punjab	4229.795
2.	Sindh	1748.404
3.	Khyber Pakhtunkhwa	1019.103
4.	Balochistan	376.817
5.	Federally Administered Tribal Areas (FATA)	256.929
6.	Islamabad Capital Territory (ICT)	195.041
7.	Gilgit Baltistan	103.071
Total		7929.160

Source: Pakistan Economic Survey (2021)

3.3.2 Pakistan Bait-ul-Mall (PBM)

PBM is a social assistance program and autonomous body established by the government of Pakistan under the Pakistan Bait-ul-Mall Act, 1991 and the body was constituted in 1992. It functions in areas of social assistance where needy who either not eligible or are not included in the Zakat schemes. The program financially covers sects of minorities and Muslims. Federal government acts as the provider of the services. The body of the program is maintained by collecting both from public and private authorities such as provincial governments, Central

²³Ahmad, Raza. "The Endemic Crisis of Federalism in Pakistan." Lahore Journal of Economics 15 (2010).

²⁴ Pakistan Economic Survey. 2014-15. http://www.finance.gov.pk/survey/chapters_15/Highlights.pdf

Zakat Fund, National and International Organization and other contributors such as Non-Governmental Organizations (NGO's).²⁵ The fund of PMB is distributed among the poor people of Pakistan through different organs such as Food Support Program (FSP), Financial Assistance to individuals, providing support for children using National Center for Rehabilitation of Child Labour and Institutional Rehabilitation.²⁶ PBM has covered other areas such as dowry, educational scholarship, supporting orphans, providing vocational canthers, supplying wheel chairs to handicapped, hearing aids and artificial limbs.

3.3.3 The Benazir Income Support Program (BISP)

BISP is one of the newly established program for addressing people who are poor in Pakistan. The program was established in 2008. Experts have examined it is one the main part of National Social Protection Strategy (NSPS) under the Benazir Income Support Act, 2010. Targets of the program are the poor families where the female head of is provided a monthly base cash money aimed declining poverty. Current documents have highlighted that the program includes those family where the income is less than Rs.6000. Within the context, of this program, a sum of Rs.1000 is transferred every month.²⁷ Social assistance program such as many Pakistan have targeted the poorer, however, BISP is said to be one of the milestone where women empowerment is an important aspect in the current history. The nature of the program has indicated when reflecting the social protection programs in the country has revealed that BISP is supportive for Pakistan for achieving Millennium Development Goal (MDGs) in line the country exit strategy declining the poverty. BISP has targeted 90% poor population of Pakistan which makes 20% of the current population. Other aspects of the program have covered transferring money on conditional bases and providing health insurance so far. It was decided that the program would be able to bring 5.5 million by the end of 2012-2013.²⁸

BISP has established four other programs. First, Waseela-e-Rozgar which provides the poor sector of the society technical and vocational training. Second, Waseela-e-Haq provides the poor people microfinance, third, Waseela-e-Sehat provides the poor people life and health insurance and Waseela-e-Talim is based on supporting the poor people in education. Making it more robust, the government of Pakistan has increased the amount from Rs.75 billion in 2013-

²⁵Sadiq, Najma, Ume Laila, Tahir Mehmood, and Tooba Rehan Haqqi. "Impact of Pakistan Bait-ul-Mal on the Satisfaction Level of the Beneficiaries." *Journal of Accounting and Finance in Emerging Economies* 6, no. 4 (2020): 995-1004.

²⁶Laila, Ume, Najma Sadiq, Tahir Mehmood, and Khansa Almas. "Impact of Pakistan Bait-ul-Mal on the Socioeconomic Conditions of the Beneficiaries." *Journal of Business and Social Review in Emerging Economies* 7, no. 1 (2021): 15-26.

²⁷Waqas, Muhammad, and Masood Sarwar Awan. "Do cash transfers effect women empowerment? Evidence from Benazir Income Support Program of Pakistan." *Women's Studies* 48, no. 7 (2019): 777-792.

²⁸Saleem, Muhammad. "Evaluating political capture and targeting performance of the Benazir Income Support Program in Pakistan." (2019).

2014 to Rs. 97 billion in 2014-2015. The amount was further increased to Rs.115 billion in 2016-2017.²⁹

3.3.4 Public Works Program

Among various social protection programs in Pakistan, public works program was introduced by the government of Pakistan targeting the poorer of the country to decline poverty. For example, many kinds of programs are working such as Khushhal Pakistan Program as well as Tameer-eWatan program which were introduced during the Pervez Musharraf and Muslim League (N) eras respectively. Viewing the programs under Public Works Program reveals the succeeding governments efforts supporting the poor people access to electricity, construction of roads, provision of natural gas, health, gas, water, sanitation, transport and telephone services. Overcoming and securing social needs of poor people the Poverty Reduction Strategy Paper (PRSP)-II have considered People's Rozgar Program also known as President's Rozgar Scheme have covered the needs of the needy in the country. For example, the scheme has targeted unemployed people who are facilitated in credit on low interests rate to establish their small businesses. In addition, the National Bank of Pakistan initiated schemes which are covering funding for community transport, shopkeeper financing, supporting Community Utility Stores, Public Call Office and others.³⁰ The amount the NBP has offered ranging from Rs.200,000 to Rs. 700,000 for time period of five years.

3.3.5 Microfinance Institutions (MFI's)

MFI fall in the category of social safety nets programs. Experts have believed that these programs are important and are part of social protection strategy of Pakistan.³¹ These institutions are guided by the Planning Commission of Pakistan and has covered an important task of categorizes population in the category of poor and non-poor in the Annual Plan.

The above schemes have protected those people employed in the formal sector, however, the bulk of Pakistani citizens who work as domestic workers and not registered fall short of such schemes. The coming sections would reflect a brief discussion on the domestic workers.

²⁹Naseer, Zonaira, Hongwei Hu, Muhammad Yaseen, and Muhammad Tariq. "Rural women empowerment through social protection programs: A case of Benazir income support programme in Punjab, Pakistan." *Journal of the Saudi Society of Agricultural Sciences* 20, no. 2 (2021): 67-74.

³⁰Subbarao, Kalanidhi, Carlo Del Ninno, Colin Andrews, and Claudia Rodríguez-Alas. *Public works as a safety net: design, evidence, and implementation*. World Bank Publications, 2012.

³¹Ishaque, Waseem, Saima Shaikh, and Akbar Ali Mahesar. "Academic construct of social welfare services and social safety net." *The Government-Annual Research Journal of Political Science*. 5, no. 5 (2017).

3.4 Distinction between Domestic and Home-Based Workers

The term “domestic worker,” is most commonly used, however, to refer to workers who perform domestic work for pay. These are workers who work in the homes of others for pay, providing a range of domestic services: they sweep, clean, wash clothes and dishes, shop, cook, care for children or the elderly, sick and disabled, and/or provide such services as gardening, driving and security. Domestic workers in employment constitute a significant proportion of the national workforce in many countries, particularly in the developing world. They make a significant contribution to the global economy, playing an important role in caring for ageing populations, children, and persons with disabilities. Their work allows many workers with family responsibilities to be more fully active in the labour market than would otherwise be possible. It is widely recognized that paid domestic workers are particularly vulnerable to exploitation, in part because of the nature of their relationship to employers and clients. They are among the lowest-paid of all workers and frequently do not enjoy the same social and legal protections as other workers. Many are excluded from provisions that other workers take for granted with respect to essential working conditions, such as paid annual leave, working time, minimum wage coverage and maternity protection. The ILO Domestic Workers Convention, 2011 (No. 189), calls for national policies to promote fair treatment and decent working conditions for domestic workers. It defines domestic work and domestic worker for legal and policy purposes as follows:

- (a) The term domestic work means work performed in or for a household or households;
- (b) The term domestic worker means any person engaged in domestic work within an employment relationship;
- (c) A person who performs domestic work only occasionally or sporadically and not on an occupational basis is not a domestic worker

3.4.1 Domestic Workers in Pakistan

The report of ILO has highlighted that there are 8.5 million domestic workers in Pakistan.³² Majority of the domestic workers include women and girls from low income background. Data availability regarding their registration falls outside of the formal economy and hence making the largest part of informal economy in Pakistan in various provinces. Pakistan has not ratified the ILO convention 189 which protects these domestic workers work place rights.³³ Social protection programs which can secure the rights of domestic workers are not protected legally

³²International Labour Organization, “Giving Rights to Millions of Domestic Workers in Pakistan,” accessed August 03, 2021, https://www.ilo.org/islamabad/info/public/fs/WCMS_347029/lang-en/index.htm.

³³International Labour Organization, “Up-To-Date Conventions and Protocols Not Ratified by Pakistan,” Retrieved from https://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210_COUNTRY_ID:103166

in various provinces especially in the province of KP. The lack of labour regulation for these domestic workers and unavailability of formal mechanism have deprived them filing any complaint such as airing grievances, organizing and negotiating for their rights and the employers are left with freedom to exploit them.

The government of Punjab has stepped ensuring rights of domestic workers in the province and became the first one to regulate domestic workers. For example, the Punjab Domestic Workers Act was passed by the provincial assembly in January 2019 which has extended rights of the domestic workers to secure their social protection system. The law has stated that the domestic workers will receive minimum wage, work no more than 8 hours a day and compensation will be provided for extra-hours and when they are sick they will be granted sick leaves and holidays as well. The most important benefit of this act has formalized the domestic workers. The employer will provide a letter of employment which has the terms and conditions and the copy of it will be submitted with the labour inspector. The section 22 of the act has established Domestic Workers Fund which will be used by these workers after they provide an application.³⁴ Despite the passing of the domestic workers act, the implementation of the law is lacking due to various reasons. These reasons are from many sides such as employers hesitation, the workers themselves and the government itself.

³⁴The Punjab Assembly, The Punjab Domestic Workers Act, 2019, (The Punjab Assembly: Lahore, 2019), <http://punjablaws.gov.pk/laws/2724.html>.

4. Labour

4.1 Types of Labour

By definition labour is the amount of physical, mental and social efforts used to produce goods and services in the economy. Labours are distributed worldwide both in the formal and informal employments. The informal employment has comprised of two billion people globally with various vulnerabilities and risks.³⁵ Translating this labour force becomes 60% and it makes 90% of all small and medium range enterprises.³⁶ Most people are directly or indirectly associated with informal labour force which have faced challenges for government's policy formulation in the poor regions of the world. The informal sector has comprised people who are unpaid workers in family enterprises casual wage employment, home-based workers and street vending who are mostly people in slums.³⁷ Experts have noted that such informal sector of employment has increased in countries where there are more natural disasters or acute urbanization. Another factor causing more informal labour force is the downfall of growth and downturn cycles in the economy. Such situation leads to cause inequality in income distribution in a nation.³⁸ Other causes contribute to increasing informal labour force are: unemployment, low capital inflows, lack of social protection programs, low human capital. Employers tend to recruit such unemployed in their small enterprises where these people only see this is an opportunity without much protection.³⁹

Informal sector is known as shadow or grey economy. The system has no formal arrangements, and it has been represented by individual operators and economic units. The most distinguishing nature of informal sector is the illegal and illicit business operations as per the 17th International Conference of Labour Statistics (ICLS).⁴⁰ Activities in the informal sector are outside of accepted norms of society which are not regulated or any mechanism of registration with governments and are non-taxable. Labour force working in the informal sector are

³⁵Bonnet, Florence, Joann Vanek, and Martha Chen. "Women and men in the informal economy: A statistical brief." International Labour Office, Geneva. [http://www.wiego.org/sites/default/files/publications/files/Women%20and%20Men%20in%20the%20Informal%20\(2019\).](http://www.wiego.org/sites/default/files/publications/files/Women%20and%20Men%20in%20the%20Informal%20(2019).)

³⁶International Labour Organization (ILO). **Informal Economy: More than 60 per cent of the World's Employed Population Are in the Informal Economy. 2018.** Available online: https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_627189/lang-en/index.htm (accessed on 20 February 2020).

³⁷Mahadea, Darma, and Luther-King Junior Zogli. "Constraints to growth in informal sector activities and formalisation: A case study of Ghanaian slums." *The Southern African Journal of Entrepreneurship and Small Business Management* 10, no. 1 (2018): 1-9.

³⁸Wang, Jinxiu, Lin Wang, Kunhui Ye, and Yongwei Shan. "Will bid/No-bid decision factors for construction projects Be different in economic downturns? A Chinese study." *Applied Sciences* 10, no. 5 (2020): 1899.

³⁹Chen, Martha, Joann Vanek, Francie Lund, James Heintz, Renana Jhabvala, and Christine Bonner. "Progress of the world's women 2005: Women." *Work and Poverty* (2005).

⁴⁰International Labour Organization. *Measuring informality: A statistical manual on the informal sector and informal employment.* Geneva: International Labour Office, 2013.

recorded as the lowest level of small and tiny scale. As regard to the labour relationship in such a system, it has been existed on personal and social relationship and thus has lacked any contractual arrangements with legal protection. As a result, wide range difference is observed in the formal and informal labour force. The gap is shown in the table below.

Table 1: Difference between the Formal and Informal Economy

Informal Sector	Formal Sector
The entry criteria are minimal/simple.	Entry criteria that are difficult to meet
Reliant on indigenous/local resources	A corporation is used to own the business.
Family businesses are owned by family members.	Has a tendency to rely on resources from other countries.
The business is run on a small basis.	The enterprise operation is a large-scale operation.
The operation requires a lot of manpower and uses locally tailored technology.	The operation requires a significant amount of cash and is reliant on foreign technologies.
Unskilled workers who have not completed a formal education	Formally obtained skills, which are frequently gained via the usage of expatriate services
Markets that are mostly competitive and uncontrolled	High tariffs, or trading licenses, are used to safeguard markets.

Source:http://www.vumelana.org.za/wp-content/uploads/2014/03/Document-49Meagher_WIEGO_WP27.pdf

The most wide observable features of the informal sector is shown in the Table below.

Table 2. Characteristics of the Informal Sector

S/N	Distinguishing Characteristics	Comments
1.	Employment (important features of people in the informal sector)	<p>Official protection and recognition are not available.</p> <p>Legislation and security systems do not cover it.</p> <p>Work is mostly done on single own-accounts/self-employment.</p> <p>Organizations that are not affiliated with a trade union.</p> <p>Low salaries and income</p> <p>There are no fringe benefits, such as paid sick days or off-days.</p>
2.	Enterprise (activities in the informal sector)	Markets that are un-regulated with high competition

		<p>Minor-scale function with a collective family-owned business</p> <p>Minimal entrance criteria</p> <p>dependent on indigenous resources</p> <p>Adaptive technology and a high-wage workforce</p> <p>Lack of institutional assistance, protection, or credit</p>
3.	Habitat (land and housing)	<p>Public and private lands are both used.</p> <p>Unauthorized constructions and buildings are being used.</p> <p>There are no stringent norms or standards in place.</p> <p>Construction of a trade post is reliant on family labour.</p> <p>There is no mortgage or subsidized financing available.</p>
4.	Credit	<p>It's not controlled and it's not subsidized.</p> <p>It's a little, portable device that's easy to use.</p> <p>Administrative and operational costs are low.</p> <p>There is no requirement for a security deposit.</p> <p>Interest rates that are flexible and repayment plans that are suited to each individual's demands</p>

Source:https://www.sciencedirect.com/science/article/pii/S0304393206000821?casa_token=2AqC9n8Hk6cAAAAA:-gaFEHGDO7Q21yuFjpbhBCywVhEt92dbraMUAvoZefExiQKPNwnW0a_Ulj7Sq7JGJ5w67HVe2k

Pakistan has similarly situation and comprised of its major portion of economy in the form of informal economy. Labour welfare programs are restricted for the country's labour force at large. Official record of the labour force survey in 2017-18 has revealed that the informal economy of Pakistan was 71.7 percent of the employment in major jobs outside agriculture where a great portion of it is observed in rural areas making 76.6 percent while 68.1 percent in urban areas. The present study has noted that informal economy has slightly decreased from 2008-9 when it was providing employment to 73.3 percent of workers in main market excluding agriculture. Wholesale and retail commerce manufacturing, community/social/personal services, construction, and transportation are all part of Pakistan's informal economy. Constitution of Pakistan through 18th amendment has devolved the labour force from federal to provincial level. One of the positive result of such change was making the provinces to address challenges to the informal labour in the country where KP, Punjab, Sindh developed their own labour policies. The Punjab Labour Policy was created in 2018 in the context of Punjab Province,

and it includes effective execution of labour rules, social discourse, improved workplace safety, living wages, child and bonded labour, increased awareness, and superior labour inspections regimes.⁴¹ However, the country still facing major and fundamental issues and challenges in the informal sector. Workplace rights, child and bonded labour, social protection, insufficient long-term employment, working poverty, and gender discrimination are only a few examples. Pakistan has lacked major deficit implementing laws for informal labour especially in the context of KP province.

Pakistan represents one of the largest informal economy sector where Small and Medium Enterprises (SMEs) is the largest one.⁴² As regard to women, society being a conservative, most of the women do not join formal work but prefer to work at home. The International Labour Organization identifies informal sector is an unregistered comprising of small-scale private unincorporated enterprises which aims to create goods and services for sale or barter. There exists an issue with the informal sector for the registration with government to support the poor labour due to lack of motivation where much part informal economy has remained invisible and are the data is not available. A large portion of the informal economy has penetrated in the form of home-based workers in Pakistan. The current report reveals that the complex legal framework, tax and administrative environment of Pakistan where majority of old and new firms have not opted for registration⁴³ in order to avoid paying taxes and other obligation. The survey in 2010-11 has shown that the country has 74% labour force⁴⁴ who are working in the informal sector, however, ILO has recorded the labour force in the country at the rate of 73%.⁴⁵ The side effect of informality or informal sector has resulted in the form government has neglected it in the main economic policies formulation in the country⁴⁶ and the benefits are only given to the main industries. Experts have within this context has calculated that the country support programs of innovation and efficiency is lower than those of other countries. The reasons behind a bulk of informal economy are also due to culture and social norms where they prevent the labourers to become the part of formal economy for example

⁴¹ <https://www.ilo.org/islamabad/areasofwork/informal-economy/lang--en/index.htm>

⁴² Williams, Colin C., Muhammad S. Shahid, and Alvaro Martínez. "Determinants of the level of informality of informal micro-enterprises: Some evidence from the city of Lahore, Pakistan." *World Development* 84 (2016): 312-325.

⁴³ Qureshi, M.S. & Mian, S. A. (2012) *Global Entrepreneurship Monitor, Pakistan Report 2012*. file:///C:/Users/mlent/Downloads/1420041780GEM_Pakistan_2012_Report.pdf. Accessed 14 Aug 2018

⁴⁴ <https://www.pbs.gov.pk/content/labour-force-survey-2010-11>

⁴⁵ *Statistical update on employment in the informal economy*. International Labour Organization. (2012).

Geneva: International Labour Organization.

⁴⁶ Chemin, Matthieu. "Entrepreneurship in Pakistan: government policy on SMEs, environment for entrepreneurship, internationalization of entrepreneurs and SMEs." *International journal of business and globalization* 5, no. 3 (2010): 238-247.

the serveries provided in the houses and other places. It is estimated that due to these reasons the informal sector 70% is rating more than formal sector in Pakistan.

Women have constituted a large portion of Informal economy. Various evident have suggested that female in Pakistan have more options for launching and continuing to operate their ventures informally.⁴⁷ An important factor behind the informality in case of females is religiously conservative culture which has pushed women staying at homes.⁴⁸ In the case of male in Pakistan, the report of GEM has highlighted that the participation in the formal economic sector is positive as they have created Established Business Ownership (EBO). Comparing Pakistan to other countries, the females have the lowest participation in the country main industry. Formality of the people employed in the country will have direct effect on their social protection as the government of Pakistan has recently acknowledged the importance of it on the engine of economic growth. According to the International Labour Organization (ILO), around 8.5 million people in Pakistan – mostly women and children – are employed as domestic workers in households. In the midst of poverty, illiteracy and lack of job opportunities, many are left with no choice but to seek employment in others' homes as cleaners, caregivers, cooks, maids, etc. Domestic work across the world is characterized as one of the occupations with the worst quality of employment according to the ILO– with long workdays, low pay and limited social protection, and in Pakistan limited legal regulation.

4.2 Laws for Labour Rights in Pakistan

Laws about labour force worldwide are found in major parts of the International Labour Organization where Pakistan has ratified 36 ILO conventions including 8 fundamental conventions till now. In the context of South Asia, Pakistan is the second member country which has ratified all 8 conventions of ILO related to rights at work place. The country ensuring rights at work place has echoed by the former Prime Minister of Pakistan Mr. Yusuf Raza Gilani has said that to bring all labour laws in conformity with ILO conventions. The 18th Amendment Act is the fact which has devolved labour to the provincial level. At the federal level to ensure rights at work place has been assigned to the Ministry of Overseas Pakistanis and Human Resource Development. The Table Below shows labour rights in the constitution of Pakistan.

Table 3. Labour Rights in the Constitution of Pakistan

⁴⁷Williams, Colin C., Muhammad S. Shahid, and Alvaro Martínez. "Determinants of the level of informality of informal micro-enterprises: Some evidence from the city of Lahore, Pakistan." *World Development* 84 (2016): 312-325.

⁴⁸Yunis, Mohammad Sohail, Hina Hashim, and Alistair R. Anderson. "Enablers and constraints of female entrepreneurship in Khyber Pukhtunkhawa, Pakistan: Institutional and feminist perspectives." *Sustainability* 11, no. 1 (2019): 27.

Article 4 states that every citizen has the inalienable right to enjoy the protection of the law and to be treated in accordance with the law;

Article 9 states that no person shall be deprived of life or liberty except in accordance with the law;

Article 11 prohibits slavery and all forms of forced labour and human trafficking, as well as child labour;

Article 12 states that no person shall be deprived of life or liberty except in accordance with the law;

Article 18 guarantees individuals the right to engage in any lawful profession or employment, as well as to engage in any authorized commerce or company.

Article 25 establishes the right to equality before the law and prohibits discrimination based only on gender;

Article 37(c) establishes a right to social security, whether through obligatory social insurance or other means, for all Pakistani citizens.

Article 37(d) mandates the state to provide basic needs of life (food, clothes, shelter, education, and medical assistance) to people who are temporarily or permanently unable to work owing to illness, unemployment, or infirmity; and

Article 37(e) provides for safe and humane working conditions, guaranteeing that children and women are not engaged in occupations that are inappropriate for their age or gender.

Source: <https://media.bloomsburyprofessional.com/rep/files/9781849465861sample.pdf>

The history of labour rights in Pakistan is initially found when the country inherited its major labour legislation from British India. All laws related to labour rights have evolved according to the socio-economic condition of the people, but deficiency exists today. This is because that labour laws are not homogeneous, ineffective, lack of content are mostly not filling the rights of the labour in various regions of the country especially in the context of province of KP. For example, the country has 70 Acts and Ordinances and 89 Rules and Regulations.⁴⁹ The Table below shows the detail

S. No.	Name of the Act
1.	Industrial Relations Act
2.	Workman Compensation Act 1923
3.	Factories Act, 1934

⁴⁹ - Briefing paper, "Understanding Labour Issues in Pakistan, By PILDAT, P 21

4.	Payment of Wages Act 1936
5.	Prohibition of Employment of Children Act 1938
6.	The Mines Maternity Benefit Act, 1941
7.	Industrial Statistics Act 1942
8.	Maternity Benefit ordinance 1958
9.	Minimum Wages Ordinance, 1961
10.	Apprenticeship Ordinance 1962
11.	Employees Social Security Ordinance 1965
12.	Industrial & Commercial Employment Standing Orders Ordinance 1968
13.	Companies Profits (Workers participation) Act 1968
14.	Minimum Wages (Unskilled Workers) Ordinance, 1969
15.	Shops & Establishment Act 1969
16.	Workers Welfare Fund Ordinance 1971
17.	Worker Children Education Ordinance 1972
18.	Employees Cost of Living (relief) Act 1973
19.	Employees Old Age Benefit Ordinance 1976
20.	Employment of Children Act 1991
21.	Bonded Labour Abolition Act 1992

Source: <https://labourlaw.unibo.it/article/view/7577>

In addition to constitution of the country, it has ratified only Convention on Equal Remuneration at Work Place. The most important Conventions of ILO are: Freedom of Association and Protection of the Rights to Organize of 1948, Right to Organize and Collective Bargaining of 1949, ILO Convention on Forced Labour, 1930, ILO Convention on Abolition of Labour Force 1957, ILO Convention on Discrimination (Employment and Occupation) 1958, ILO Convention on Equal Remuneration 1951, ILO Convention on Minimum Age Convention 1973 and ILO Convention on Worst Form of Child Labour 1999. Pakistan has ratified the UN Convention on the Elimination of Discrimination Against Women (CEDAW) as well as several ILO conventions relating to women and work, including the Labour 10 Statistics Convention of

1985, the Maintenance of Social Security Rights Convention of 1982, the Night Work (Women) Convention (Revised) of 1948, and other conventions that cover core labour rights that are equally applicable to women workers. However, the ideas underlying the approved treaties have not been codified.

4.3 Labour Laws in KP

The KP population is divided who are living in the arid and mountainous region of the province. The province has 10+literacy rate is only 50 percent. Females in the province are more illiterate estimated 31 percent as compared to the national average of 45 percent.⁵⁰ There is a wide gap exist between female and male employment rate. In the rural and urban areas, the female employment rate is which is differential estimated 14.2 percent and male 6.9 percent both. Female employment is reflected in the rural areas in agriculture, community and personal services while in the wholesale and retail trade and transport is negligible while in the urban areas, female employment is mainly comprised of community-based and personal services. Records have shown that KP have low employment rate because mostly people are concentrated in the informal sector of economy and are not registered with government of KP. Although, the 18th Amendment has devolved labour rights to the provinces, however, in case of KP, legislation regarding labour in the informal economy needs more attention for the benefits of the labour rights and population in general. Article 270-AA of the constitution of Pakistan as featured that all the labour laws repealed, amended or changed by the competent authority will remain valid,⁵¹ however, in the case of KP regarding labour laws, only one law named "Industrial Relation Act, 2010" was adopted, but many laws for labour force are still pending. The Table below shows some of the laws are under review.

Table Labour Laws under Review by the Government of KP

S.NO	Proposed Law
1.	KP Factories Act, 2013
2.	KP Industrial and commercial Employment (standing orders) Act, 2013
3.	KP Minimum Wages Act, 2013
4.	KP Worker's compensation Act, 2013
5.	KP Payment of Wages Act, 2013

⁵⁰ Report On The Status Of Khyber Pakhtunkhwa Millennium Development Goals, UNDP, 2011

⁵¹Thaheem, Dr, Muhammad Sohail, and Ataullah Mahmood. "Extension of Labour Laws in the Informal Economy of Pakistan: Brick-Kiln Industry as a Case Study." Pakistan Journal of Social Sciences 40, no. 2 (2020): 591-602.

6.	KP Maternity Benefit Bill, 2012
7.	KP Industrial Statistics Bill, 2012

Source: https://www.ilo.org/ifpdial/information-resources/national-labour-lawprofiles/WCMS_158916/lang-en/index.htm

Some of the cases have been chosen which can support the central theme of current report in the Province of KP. These cases have revealed domestic workers conditions during their employment in various sectors and it has been found out that there is no any social protection system which can ensure their regulation and become the part of formal economy in the country to avail social protection.

4.3.1 The Plight of Domestic Workers in KP: Case Findings

Although no accurate figures exist, it is believed that the majority of domestic workers are women and girls from low-income families in KP. Also, there is virtually little data on the mainly unregulated household employment that falls within the informal economy. The findings show that this socially unprotected labour force is subjected to exploitation, abuse, and gender and class discrimination since there are no broad legal constraints on their abuse of labour, rendering domestic workers prone to such situations.

Samia, 15, a girl working in the house of a doctor in Mansehra is continuously subjected to various forms of domestic labour abuse. She is one of the four sisters struggling to financially help her widow mother maintain the household. Samia is supposed to remain 24 hours in her employer's house as she is charged with look after of employer's kids who are two and four years old respectively. She is receiving a very meager amount, although on time, of 8000 Rs for her duties there and she is having no leaves at all in a month because, after completion of monthly duty, Samia went to her own home and spends only two days there and then she is obliged to return to her duties. Samia, being a child is unaware of her social rights and hence is unable to exercise her legitimacy in getting those rights and social protection against these exploited conditions of working.

Sher Alam, 55, is the watch keeper of a government officer's bungalow, where he is subjected to more duty time than legally entitled and receiving no compensation for that as well. He is also providing extra services to his employer besides his watchkeeping for which he reluctantly shows no objection as his job is not protected by a contract and he is at his employer's disposal regarding keeping or terminating him from his job. Sher receives 12000 Rs for his duties which is in clear contrast to the government ratified labour minimum wage of 17,500 Rs, but Sher being an illiterate person is unaware of his rights and thus unable to procure or even speak of

those in front of his employer. Although, Sher Alam is entitled to paid sick leaves he is supposed to reciprocate his son, in case he is not available for his duty.

Aftab, 14, a young boy with weak physiques is required to arrange fodder for cattle in his employer's farm. Although he is not obliged of any specific time as he leaves in a close neighborhood of farm, he is supposed to feed the cattle 3, 4 times a day. In return, Aftab receives a very meager amount of money but he is awarded other services by his employer such as old clothes, shoes, house utensils, and food, etc. Hence, Aftab is supporting his elder brother in earning their livelihood as their father has died some years ago leaving behind no worth to support his family. Thus, Aftab is subjected to socially unprotected jobs, despite being weak and young.

Sabir, 20, resident of Charsadda, KP is required to look after his sick mother and 5 unmarried young sisters as his father has died during his childhood. Sabir, being fond of education is struggling to continue his studies despite very difficulties as he is also doing a job for a second time to sponsor his studies as well as extend his financial support to his poor family. He is attending a local restaurant as a waiter where is supposed to report directly after his college classes and serve there till 11 PM. Sabir is poorly compensated for his work as he is receiving 8000 Rs a month salary for his 8 hours long duty and extra services there in the restaurant. Having left with very few options, Sabir is devoted to his duties despite it being socially unprotected and exploited condition of working as he is strictly limited in his sick and study leaves.

In Pakistan, patriarchal systems and restrictive societal norms confine women's bodies and labour to the home. As a result, domestic labour is seen as one of the few socially acceptable ways for impoverished women to find a job. **Pari**, 50, a poor woman is also a domestic worker for 15 years working in a quest to support his children and ill husband unable to do any sort of work. Pari works extensively in many houses for a short time each to earn some money to buy the very necessities of life. Despite being very hardworking and devoted, she receives very little compensation than she deserves. So, Pari is dissatisfied with his working condition and earned amount of money but she cannot quit her job as she is unable to get a decent socially protected job as she is illiterate and unaware of such opportunities. Consequently, Pari is vulnerable to domestic exploitation of labourers and continuously subjected to abuse of her social rights and remunerations. These all domestic workers were exploited by their employers and are subject to unpaid labour conditions which are critical in some cases because of lack of any legally ratified convictions to protect these workers who are significantly contributing to the informal economy of the country especially in the case of KP province.

Box 1. Rational for Social Protection Policy

Social protection is argued to be necessary in order to:

- develop social support for reform programs
- promote social justice and equity – and make growth more efficient and equitable
- provide policy-led support to those outside the labour market/with insufficient assets to achieve a secure livelihood
- provide protection for all citizens against risk (including financial crises)
- ensure basic acceptable livelihood standards for all
- facilitate investment in human capital for poor households and communities
- enable people to take economic risks to pursue livelihoods
- promote social cohesion and social solidarity (social stability)
- compensate for declining effectiveness of traditional and informal systems for enhancing livelihood security
- ensure continuity of access

The above discussion on domestic workers falls in various labours which have constituted the majority of the informal economy of Pakistan.

5. Barriers of social security schemes for domestic workers

Domestic work faces multiple barriers to access to legal and effective coverage of social security. Much of the barriers are related to the characteristics of the job, such as the fact that the tasks are performed in a private home or that the employer is a family without productive or business purposes. This section provides a summary of the main barriers identified from an institutional perspective. In the future it will be necessary based on information coming directly from workers and employers, through surveys or other instruments in order to have a deeper characterization of the barriers studies.

5.1 Legal exclusion.

Legal exclusion is the most daunting barrier for upholding domestic workers' right to social protection. When laws are discriminatory, a population group that due to its characteristics is already vulnerable becomes even more so. For example, in some countries such as, the Social Security Law (1990) specifically states that domestic workers are not eligible for social security. In addition to legal exclusion, other barriers limit domestic workers' access to social security coverage. Some of the most significant constraints are listed below.

5.2 Voluntary coverage.

Access to social security is a right that every worker should have, which in practice does not necessarily occur. Voluntary coverage is ineffective because it burdens domestic workers with the difficult task of convincing their employers to register them in a social security program.

5.3 Coverage is limited to fulltime workers.

This is a major hurdle given that many domestic workers are employed part-time, by the day or by the hour. In some countries such as Turkey, only fulltime employees are eligible for social security through the Social Security Institute (SGK).

5.4 Restrictive definitions of domestic work in legislation.

In some cases in Pakistan national legislation, whether at the level of the labour code or of social security laws, narrowly defines salaried domestic work in terms of the household tasks it entails. This hinders the inclusion of some occupational groups that perform domestic work, such as gardeners, security guards, private drivers and those who care for pets. The definition of domestic work categories established in Convention No. 189 of ILO serves as a policy guide for countries to adapt their legislation accordingly.

5.5 Limitations of protected contingencies.

In Pakistan, the social security system offers differentiated coverage (contingencies or branches of social security covered) for difficult-to-cover groups such as domestic workers, which is usually less than that offered in the general scheme. Family and unemployment benefits are most often excluded. In Pakistan, coverage is limited to pensions (invalidity, old-age and survivors' benefits). In others, the scheme offers lower benefit amounts, affecting mainly the short-term transfer of cash in the case of sickness and maternity benefits which would be analyzed in the coming sections below. These practices occur most frequently in countries that have opted for special protection schemes for domestic workers, although they are also observed in some countries where the domestic work sector is included in the general scheme.

5.6 Contribution rates equal to those of other occupational categories.

The establishment of a contributory scheme equal to that for other employees is another impediment to inclusion of domestic workers in social security systems. According to the experiences analyzed, this strategy is not very effective when dealing with difficult-to cover groups, such as domestic workers, which in addition to having a low contributory capacity are often paid in-kind. In Pakistan, the structure of contributions includes payments that do not generate benefits for domestic workers, which increases costs and discourages registration (like may be the case of some contributions by employers earmarked to finance other social benefits and program).

5.7 Complexity of administrative procedures.

Burdensome administrative procedures increase transaction costs for employers and domestic workers alike in terms of the time invested in complying mainly with procedures of registration and regular payment. Procedures that are burdensome, costly or difficult to understand (for example, complexity in the application of contribution rates) act as disincentives to registration. The situation tends to be less favorable when employers must deal with a fragmented administrative model, where they are required to transact with several institutions rather than a single, centralized one.

5.8 Inadequacy of administrative mechanisms for registration and receiving benefits.

The specific characteristics of the domestic work sector in comparison with other economic activities require social security schemes to adapt administrative mechanisms to the needs of this sector. The absence of mechanisms to register workers who work on an hourly basis, those who have more than one employer and those who work abroad, for example, exclude this population from access to social security benefits. This situation can be resolved through legal

and administrative reforms, which incorporate the intensive use of technological resources combined with incentives for enrolment, including financial incentives.

5.9 Benefits under the responsibility of employers.

In some social security systems, employers are directly responsible for covering costs for certain benefits, particularly sickness and maternity benefits.

5.10 Lack of information and organization.

When individuals are unaware of their rights and responsibilities and of how to exercise them, it is more difficult for these workers to actively exercise them. Additionally, the lack of information amplifies the asymmetrical position and puts workers at an even greater disadvantage in negotiations with employers. This mainly affects groups of highly vulnerable workers, such as domestic workers. The situation is even worse for migrant domestic workers. The dissemination of information to the domestic work sector can be beneficial as it has proven effective in countries that have employed this strategy.

6. Evaluation of Existing Social Protection Programs in Pakistan:

The aforementioned social protection programs and tools are implemented by numerous autonomous and semi-autonomous bodies along with central government and provincial agencies⁵². Nonetheless, lacking the fully coordinated and articulated social protection strategy throughout the social spectrum, these programs and initiatives remain transitory, meaningless, defective, and ineffective. Additionally flaws, gaps, overlaps, and policy imperfections will also be analyzed and evaluated adequately. The following portion of the study illustrates the country's existing social protection systems. This part, on the other hand, will analyze the country's demography, including the total population, total labour force, available employment, coverage and availability, outreach, and the country's total share of GDP for social security programs for employees and citizens.

Population demographics and trends have a larger influence in each country's development and strategic decision-making. The number and composition of a country's population has an inescapable impact on its economy and its ability to provide social safety, sanitation, water, health care, food, energy, housing and education. It is also important to discuss the dynamics of population prior to doing demographic analysis, as the true picture of demography will reveal the extent to which social safety programs are covered. The following table shows the total population comprising rural along with urban population shares, and total number of labour force in the country in order to better understand the phenomenon:

One of the world's most populous countries, Pakistan is comprised of population numbering 191.71 million people⁵³. The country's estimated labour force is 61.04 million, with 57.42 million employed and 3.62 million jobless; the unemployment rate is 5.9%⁵⁴. The indicators depict the country's total population, including urban and rural distribution, as well as the total labour force, including employed and unemployed workers. In emerging countries, there has been a high level of labour force participation. Most developing countries have low unemployment rates combined with high labour participation rates, resulting in a large number of workers in precarious jobs, with the majority of them living in working poverty. Pakistan has a greater poverty rate than the rest of the area, with an estimated 39 percent of the population

⁵² Sayeed, A. (2004). *Social Protection in Pakistan: Concept, Situation Analysis and Way forward*. Working Paper 5: Jointly Published by the Centre for Research on Poverty Reduction and Income Distribution (CRPRID), Planning Commission, GoP, ILO and UNDP.

⁵³ *Pakistan Economic Survey (2014-2015)*. Ministry of Finance, Government of Pakistan

⁵⁴ *Labour Force Survey. (2015)*. Pakistan Bureau of Statistics. Government of Pakistan.

living in poverty⁵⁵. When compared to metropolitan areas, the proportion of joblessness and poverty and is higher in rural areas, notably in the agricultural sector.

The labour force participation rate is gradually increasing; yet, the rising unemployment rate is concerning; consequently, new job possibilities for the labour force should be provided. The country's population and labour force are made up of roughly 63 percent youth under the age of 30⁵⁶. Youth employment prospects are a critical concern, according to demographic figures. The following table shows the gender-based unemployment rates in Pakistan's urban and rural areas.

Table. The Percentage of Unemployment Rate in Gender and Area (2017-2018)

Area/Gender	Total	Male	Female
KP	7.3	6.9	9.2
Punjab	5.7	5.0	7.7
Sindh	5.0	4.0	11.8
Baluchistan	4.0	2.7	17.3

Source: Pakistan Labour Force Survey (2017-2018)

The above table shows the unemployment rate by gender and geographical area in the country. According to the data, the unemployment rate in rural areas is disproportionately high among women. Women in rural places have less opportunity and abilities to break out from this oppressive atmosphere. The Asian Development Bank recently released a report titled "Social Protection Index: Assessing Results for Asia and the Pacific," which shows that Pakistan spends less than 3% of its GDP on social protection for its disadvantaged population⁵⁷. The country's Social Protection Index (SPI) score is 0.047, which is lower than the average (SPI) score of 0.061 for South Asian countries (ibid). The lack of awareness of the presence and availability of such social safety programs in the country is the cause of low spending. Furthermore, for the poor to obtain health, education, and unemployment benefits, especially for employees and women in the informal sector, it is the complicated process which makes it difficult to attain social assistance.

⁵⁵ United Nation Development Program. (2016). Pakistan's new poverty index reveals that 4 out of 10 Pakistanis live in multidimensional poverty. Retrieved from <http://www.pk.undp.org/content/pakistan/en/home/presscenter/pressreleases/2016/06/20/pakistan-s-new-povertyindex-reveals-that-4-out-of-10-pakistanis-live-in-multidimensional-poverty.html>

⁵⁶ Planning Commission, Annual Plan (2014-2015), Ministry of Planning Development and Reform, Government of Pakistan.

⁵⁷ Asian Development Bank, (2013). The Social Protection Index, Assessing Results for the Asia and Pacific. Philippines. ISBN 978-92-9254-139-2.

Although the government of Pakistan spends a lot of money on these programs, the mechanism for distribution isn't well-organized, structured or comprehensive, and as a result, most of the programs and policies aren't poor-inclined. Furthermore, these initiatives ignore the poor who labour in the unorganized sector of the economy. These initiatives are fragmented, inefficient, and poorly targeted. Money for labour market initiatives such as subsidies for unskilled labour is severely restricted, with the exception of Punjab Province. Since 2010, when the Punjab Skills Development Fund was established with the assistance of the UK's Department for International Development. The Government of Punjab established the business under the "Companies Ordinance 1984."

The country has a large labour force, regarded as one of the largest in the region. The majority of the population lives in rural areas and works in agriculture. The majority of these social security systems omit the informal economy and agricultural labour force, which account for over 70% of the country's total labour force, and only cover formal sector employees⁵⁸. On the contrary, due to a design flaw, these programs do not adequately cover formal sector employees because the funding burden has been placed solely on the employers⁵⁹. In most situations, these programs are primarily funded by employers, and there have been numerous instances where public sector industrial units have failed to pay their contributions. Employees are encouraged to donate to these schemes because of the benefits they provide. Aside from the high administrative costs of several social security schemes, some limitations in the architecture of these programs have been noticed. It, for example, lacks measures for the protection or transfer of pension entitlements in the event of work termination⁶⁰. This is a predicament that has arisen frequently during the privatization of industrial organizations. These social security policies have fallen short of covering the entire labour force in terms of social security and welfare. Only 4% of the non-agricultural labour force benefits from the aforementioned initiatives⁶¹. Furthermore, two-thirds of employees in medium and large-scale manufacturing and commercial firms are unprotected contract workers (Syeda, M. H. 2015).

Additionally, the empirical study discovered that many institutions that provide social security benefits, such as health care, which is provided by both Workers Welfare Funds (WWF) and Employees Social Security Institutions, are expanding their operations (ESSI). These similar projects are overseen by multiple departments, with no clear delineation or division of

⁵⁸International Labour Organization (ILO). 2017. Social Security in Pakistan. Retrieved from <http://ilo.org/islamabad/areasofwork/social-security/lang--en/index.htm>

⁵⁹ Sayeed, A. (2004). Social Protection in Pakistan: Concept, Situation Analysis and Way forward. Working Paper 5: Jointly Published by the Centre for Research on Poverty Reduction and Income Distribution (CRPRID), Planning Commission, GoP, ILO and UNDP

⁶⁰ Jamal, H. (2010). A profile of social protection of Pakistan: An appraisal of Empirical Literature, Research report no.81. Social Policy and Development Centre, Karachi, Pakistan.

⁶¹ Bari et al, 2005. Conceptualizing a Social Protection Framework for Pakistan, Pakistan Poverty Assessment Update, Background Paper Series, Background Paper: 4, Poverty Group, Asian Development Bank.

responsibilities. The establishment of comparable initiatives by several parties results in a loss of focus and economic resources, which is the most major barrier to providing such benefits to the maximum number of people. The subsidization of such welfare activities has no good influence on the lives of the households as planned due to this overlapping policy. Corruption and theft, such as those witnessed in EOBI, are among the reasons for the failure of these social security programs.⁶² Many initiatives have generated other important issues, such as the incapacity of various organizations or institutions to properly conduct social assistance responsibilities and functions. Furthermore, these programs lack effective targeting; the Zakat and Bait-ul-Mall distribution networks, for example, have failed to create a clear and accountable targeting strategy. In reality, the main purpose of these programs is to assist the poor and deserving, but they have never done so using methods like Proxy Means Testing. According to the World Bank, "approximately 27% of Guzara Allowance (monthly cash allowance) beneficiaries and 37% of those receiving rehabilitation grants are not poor, accounting for 32 and 45 percent of the resources disbursed under each modality" in 2007⁶³. The investigation also revealed that the Zakat distribution system has been tainted by both corruption and bias. Beneficiary selection criteria are opaque, and the majority of Zakat funds are awarded to powerful people or those who offer bribes. Hence, while lacking an established and documented Zakat fund distribution procedure, beneficiaries are sometimes chosen based on their relationships with local authorities and politicians⁶⁴. The majority of the time, the Local Zakat Councils rely on individuals who are well-known and influential in the community. The majority of these recipients are familiar to the members of committees formed. Similarly, Bait-ul-Mall has no specific distribution criteria, particularly for the food assistance programs. Both social assistance programs (Zakat and Bait-ul-Mall) are facing serious issues with outreach and identifying deserving individuals⁶⁵.

BISP is widely regarded as the country's most important social safety net program. With a large budgetary allocation, the Program has implemented numerous schemes to aid the poor and vulnerable. However, these programs have been criticized as biased because distribution is conducted on political basis in order to garner votes. Because the Program receives a high level of funding, it may face many obstacles in the future if the government changes. This could present a barrier to its continuation. Many large-scale cash distribution schemes, such as

⁶² Dawn Newspaper. EOBI recovers Rs82.835m embezzled money (2004, June 03). Retrieved from <http://www.dawn.com/news/360708/eobi-recovers-rs82-835m-embezzled-money>

⁶³ World Bank (2007). Social Protection in Pakistan: Managing Household Risks and Vulnerability", World Bank Report No. 35472-PK

⁶⁴ Sayeed, A. (2004). Social Protection in Pakistan: Concept, Situation Analysis and Way forward. Working Paper 5: Jointly Published by the Centre for Research on Poverty Reduction and Income Distribution (CRPRID), Planning Commission, GoP, ILO and UNDP

⁶⁵ Asian Development Bank (2004), Social Protection Strategy Development Study, ADB TA 4155-PAK (two volumes), ADB Islamabad.

Progress in Mexico, have shown that incoming governments can limit financial allocation by proposing new programs with different designs. Despite the fact that the BISP Act was overwhelmingly enacted by parliament, the program's future may be jeopardized by some political stakeholders, as proven by a number of federal and provincial programs that demonstrate a lack of political consensus.

Microfinance or microcredit has also been criticised for its investment and income generating nature, and microcrediting programmes do not give impacted and vulnerable customers with access to microcredit as well as insurance against natural catastrophes and adverse shocks.⁶⁶ Furthermore, microfinance services do not qualify as social safety nets since MFIs do not provide microcredit at reduced interest rates, and they also lack a subsidy component, either explicitly or implicitly.

On the other side, bureaucratic roadblocks and undue favoritism are impeding the ability of these social assistance programs to reach the most vulnerable people⁶⁷. The efficiency of these assistance programs is typically harmed by mishandling and mismanagement of cash distribution⁶⁸. One of the main reasons for the delay in the distribution of these monies is that people must have a valid identity card and a bank account in order to receive this benefit. However, these issues can be solved, but it appears that receiving cash assistance is a barrier for certain people, particularly women. Furthermore, present programs have had just a minor impact on reducing poverty among low-income households⁶⁹. Similarly, the Food Support Program (FSP) and *Guzara* Allowance schemes have not effectively met the needs of impoverished families⁷⁰.

It is critical to develop a method for assessing social protection mechanisms in terms of their score. Program scope, degree of access to such programs, effective targeting, allocation of funds for benefits, adequate support, equitable distribution of transfer, self-financing and self-progressive programs, and their positive impact on development should all be considered when evaluating social protection programs⁷¹. Seven distinct social protection programs, including Zakat, Baitul-Mall, Ushr, Wheat Subsidy, Employees Old Age Benefit Institutions (EOBI), House Financing, and Microfinance Schemes, have employed the aforementioned criteria. As a result,

⁶⁶ Barrientos, A. (2006). Development of a Social Protection Strategy for Pakistan. Social Protection projects at Institute of Development Studies, United Kingdom.

⁶⁷ Naila Kabeer, N. & Sarah, C. (2010). Barriers to the extension of social protection. Evidence from Asia. Institute of Development studies (IDS), Bulletin, 41(4).1-117

⁶⁸ World Bank (2007). Social Protection in Pakistan: Managing Household Risks and Vulnerability", World Bank Report No. 35472-PK

⁶⁹ Bari et al, 2005. Conceptualizing a Social Protection Framework for Pakistan, Pakistan Poverty Assessment Update, Background Paper Series, Background Paper: 4, Poverty Group, Asian Development Bank

⁷⁰ Asian Development Bank (2004), Social Protection Strategy Development Study, ADB TA 4155-PAK (two volumes), ADB Islamabad

⁷¹ Pasha et al (2000), Evaluation of Social Safety Nets in Pakistan, SPDC Research Report Number 32, Social Policy and Development Centre, Karachi

many schemes appear to have a shaky institutional foundation, insufficient finance, and ineffective targeting and outreach. As a result, the influence of these social security policies on poverty reduction is relatively limited and ineffective (Ibid). Pakistan's parliament introduced the historic 18th amendment in 2010. It gave the provinces control over 47 subjects on the Concurrent Legislative List (CLL) 8, including Labour⁷². The amendment is seen as a major political move in that it decentralizes power to the provinces in order to enhance the lives of ordinary people. Many labour groups, such as women workers, agricultural workers, interns, part-time, family workers, contract, and home-based employees remain unprotected by labour legislation. Furthermore, present policies disregard the informal sector's female work population, which has been impoverished for decades. Social protection programs are critical for changing the structure of inequality and reducing poverty in society; else, future generations will remain reliant. The various programs and policies from both the formal and informal sectors have failed to assist the poor in breaking free from poverty's vulnerabilities and vicious cycle⁷³.

The benefits of such support programs do not reach all deserving poor people. Because Zakat is only for devout Muslims, it excludes other religious minority⁷⁴. As a result, the poor from minorities rely on unofficial sources for social protection, increasing their risk of dependency and exploitation⁷⁵. Instead of eradicating poverty, these social safety programs are distributed among diverse groups of society. Cash transfer programs, on the other hand, are developed and extended to poor and informal workers, most of who are from the economies of rural areas. However, these programs excludes agriculture workers, employees in the informal sector, or formal sector employees who are on a short-term or contract basis. Irrespective of the fact that agriculture is the largest sector in the country, providing jobs and work opportunities to a large amount of people, Workers in this industry are not entitled for any type of social protection, and existing rules do not apply to them⁷⁶. The map of Pakistan shows below labour laws where various parts need an urgent labour policy shaping.

⁷² Shaukat, Z. (2011). The devolved course: Constitutional Reforms and status of Implementation of Labour provisions. Pakistan Institute of Labour Education and Research (PILER), Karachi.

⁷³ Syeda, M. H. (2015). Making an impact Analysis of Social Protection Programs in Pakistan. Journal of the Research Society of Pakistan, 52(1).

⁷⁴ Choudhry, S. (2014). Pakistan: A Journey of Poverty-Induced Shame. The Shame of It. Global Perspectives on Anti-Poverty Policies, 111-132.

⁷⁵ Kabeer, N. (2010). Women's empowerment, development interventions and the management of information flows. IDS Bulletin, 41(6).105-113.

⁷⁶ Durr-e-Nayab & Shujaat, F. (2014). Effectiveness of Cash Transfer Programs for Household Welfare in Pakistan: The Case of the Benazir Income Support Program. The Pakistan Development Review 53:2.pp. 145-174

7. Existing Framework for the Registering of Skills and Workers in Pakistan

Household businesses that aren't legally registered (typically with less than 10 employees), street sellers, and domestic workers dominate informal labour. Low-skilled, young, female, and rural employees are similarly concentrated in this type of job. The majority of these individuals are self-employed, which means they are more vulnerable to seasonal revenue changes. Off-the-books operations by recognized businesses, such as home-based employees subcontracted by manufacturers, are examples of informal employment. Pakistan is projected to have close to 12 million home-based employees, with women accounting for 80 percent of them. The current report has shown in the above sections how these home-based workers are running their enterprises without registration with the government of Pakistan. Such businesses are able to get around labour laws by using contract workers (mostly outsourced). Furthermore, most labour rules (such as those governing minimum wage, employment terms, and workplace safety) and social insurance requirements do not apply to tiny and uncontrolled enterprises.⁷⁷ There is a huge number of informal workers in KP having diversity of skills and experience. There is a need to formulate a framework for registering these skills.

For the mandatory and free registration of all skills and workers especially the Home Based Workers both in the public and private sectors of the economy, especially industries, the KP Government required devising a mechanism. All the skills and worker should be registered with NADRA. The mechanism for the registering of Skills and Workers should be formulated in consultation with the concerned department at the provincial, District, Tehsil/Taluka and Union Council levels to avoid duplication and to promote coordination. Registration will entail automatic entitlement to the Informal worker and will also lead to social protection and provisions of insurance.

7.1 Enlisting of Skills and works

According to the most recent national Labour Force Survey 2017-18, there are 61.7 million employed workers in Pakistan, of whom 23.8 million are agricultural workers and 37.9 million are nonagricultural workers. Of the country's 37.9 million non-agricultural workers, 27.3 million (72%) work in the informal sector. Only 10.6 million nonagricultural workers (28%) are employed in the formal sector. In terms of distribution of Pakistan's 27.3 million informal sector workers by industry, 8.88 million work in the wholesale and retail trade sector, 6.22 million in the manufacturing sector, 4.43 million in construction, 4.37 million in social services' sectors, and 3.14 million in the transport, storage and communication sectors. Information on the

⁷⁷ Hina Shaikh, How Can We Protect and Informal Workers in Pakistan?, Prism, May 24, 2019. Retrieved from <https://www.dawn.com/news/1484090>

occupational classification of self-employed workers reveals that most work as real estate agents and property managers; hairdressers; stall and market sales persons; street food sellers; shopkeepers; shop supervisors; welders and flame cutters; motor vehicle mechanics and repairers; bicycle repairers; electrical mechanics and fitters; butchers, fishmongers and related food preparers; cabinet-makers and related workers; tailors, dressmakers, furriers and hatters; sewing and embroidery-related workers; motorcycle drivers; car, taxi and van drivers; drivers of animal-drawn vehicles; and street vendors who sell items other than food.⁷⁸

It will be an imperative to enlist all skills and works to provide them social security keeping in view their specific requirements. This will help in addressing the issue of unprotected workers' segments working in informal economy and assessing the required resources to be provided to the provincial institutions engaged in delivery of social security to the workers. It will also help to compile data of the large number of informal workers employed in the micro, small and medium businesses in the KP. Further, the self-employed who constitute a large share of the informal economy workers would also be registered. In short, it will help in formulating a social protection strategy.

7.2 Safety Measures Mechanisms at the workplace

The employer should be responsible to:

- Make sure the workplace is safe and that all government directives are followed to the letter.
- Provide annual free examinations and testing of health to certain classes of employees;
- Issue letters of appointments to employees; and
- Ensure that no fee is charged to any employee for maintaining workplace safety and health, including conducting medical examinations and investigations to detect occupational illnesses.
- Workers would be given a sanitary work environment with appropriate ventilation, enough space (to minimize congestion), drinkable drinking water, and separate washroom facilities, among other things.

Proper safety measures are followed by informal workers at the workplace:

- Take reasonable steps to protect their own health and safety, as well as the health and safety of those who may be affected because of their acts or omissions at work.
- Comply with the standards' safety and health criteria.

⁷⁸ Mehtab Haider, Proposal to Register more than 51 Million Informal Workers | Pakistan. The News, May13, 2021.

- If they become aware of any condition that is hazardous or unhealthy, they should notify their employer or a health and safety official as soon as possible.
- Interfere with, misuse, or neglect any appliance, convenience, or other object supplied at work for the purpose of ensuring the health, safety, and welfare of employees.
- Not do anything to endanger or potentially endanger themselves or others without reasonable cause; and
- Perform any other responsibilities that the competent authorities may assign.

7.3 Social Protection mechanisms of informal workers

7.3.1 Existing Practices

Social protection systems must be responsive to the requirements of Informal sector employees at the policy level, by providing coverage to all people. By supporting the creation of, or utilizing, existing national identification registration systems, social protection regimes can provide for informal sector employees. This will ensure that workers in the informal sector are not denied social assistance due to a lack of identity.

Some of the important Social Protection Mechanism may include:



Workers in the informal economy might benefit from social protection. To begin with, it aids in the reduction of poverty and the creation of livelihoods. Unemployment compensation, work injury insurance, and health insurance are examples of social security that give better protection against income shocks and minimize vulnerabilities. Second, social protection fosters economic growth and helps people find work. Informal Labourers should be acknowledged as economic actors who purchase items from both official and informal vendors, pay permits, and use public space, and even generate income for local governments. Third, social protection is an investment in human capital. Children can invest in productive assets or talents through conditional cash transfers and child grants, for example. Health insurance boosts labour productivity as well.

7.3.2 Proposed Legal Framework for informal Workers

The problem of bringing informal workers within the ambit of labour legislation is very complex and does not lend to any straightforward and uncontroversial strategy for legislative reforms. At present, even the extent of the home-based work is not known, efforts to obtain legislative protection remains priority objectives to ensure benefits for the home-based workers and their inclusion in the mainstream labour force. The existing realities would also have to be considered to some extent in deciding which of the possible legislative options would be feasible in terms of acceptance and implementation. And the possible repercussions on home-based workers of enforcing these laws would also have to be kept in mind. The home-based workers need guarantees about their identity and security as workers, safeguards against exploitation, and welfare measures to improve their conditions.

The proposed Legal Framework for informal Workers is as under

7.3.3 Ensuring Corporate Social Responsibility

The Federal, Provincial, and Local Governments, as well as concerned public and private sector institutions, shall make every effort to persuade industry and business owners, employers, and their intermediaries that it is their fundamental corporate social responsibility to:

- (a) Informal worker's rights and benefits protections.
- (b) Improve the working conditions of informal workers.
- (c) Pay them well and provide them with good working circumstances.

7.3.4 Ensuring Access to Information and Technological Advances

The government will collaborate with public and private entities, including nonprofit groups, to provide Informal Workers with both hardware and software for information communication technologies.

7.3.5 Implementation & Enforcement

The primary implementing bodies for Social Protection Policy will be mandated by Provincial Governments and will work closely with Local Governments, directed by the national Plan of Action and their individual Provincial Plan of Action. The Action Plans may also propose or form an inter-sectorial and inter-ministerial steering body to oversee the implementation of this Policy at the federal and provincial levels, including representation from national/Pakistani civil society organizations.

7.3.6 Plan of Action for Implementation of National Social Protection Policy:

The federal and provincial governments will develop a detailed plan of action to carry out this national policy on home-based employees. The Plan of Action will be extensively disseminated, and provincial and national discussions will be undertaken to guarantee its viability and acceptance by everyone. After it has been approved by the different stakeholders, it will be implemented using time-bound, results-oriented, and objectively verifiable metrics.

The rights and advantages of HBWs, as well as the duties and obligations of Federal, Provincial, and Local Government authorities, as well as the tasks of other stakeholders, must be clearly outlined in the national and provincial plans of action. The plans will also include the methods for enforcing the Policy's compliance, notably in terms of financing and market access, as well as the forums and processes for resolving disputes.

7.3.7 Inclusion in Labour and Employment Policies and Legislation:

The Government will conduct a legislative review of the upcoming National Employment Policy and the draught Employment and Services Condition Act, 2007, as well as the Labour Inspection Policy (2006), the Labour Protection Policy (2006), the Labour Policy (2002), and the Industrial Relations Ordinance (IRO), and ratify ILO Convention 177, which includes the recognition of HBWs as workers.

The Government shall ensure that any such review process and or commencement of new policy proposals is comprehensive and conducted through an inclusive consultation process that includes representation from employers, HBWs, trade unions, and other networks and cooperatives that work with HBWs, as well as related institutions representing employers, the business community, chambers of commerce, and other organizations that work with HBWs.

7.3.8 Dispute and Conflict Resolution Mechanisms:

The Government will guarantee that all current Ombudsperson, Government tribunals, tripartite processes, Labour Courts, and Local Government systems are investigated for this purpose in a quadripartite consultation manner including all parties. If a scenario involving

sexual harassment of women at work or domestic violence against women develops, the government should guarantee that a grievance reporting, and resolution procedure is available to women home-based employees under current or upcoming laws.

7.3.9 Ensuring Participation of Local Governments:

At the district, tehsil/taluka, and union council levels, the Provincial Governments should guarantee that elected representatives and officials of the Local Government, notably women councilors, play a significant role in the execution of the various measures stated in this Policy. Provincial governments, in cooperation with local governments, will guarantee that councilors make efforts to identify informal workers in their communities, gather data on HBWs, and help in the registration of informal workers, all of which are critical steps in the process. The role of local government systems and representatives in delivering the advantages of this policy to home-based workers will be highlighted in the Plan of Action.

8. Recommendations & Way Forward:

As observed in the preceding sections of this study there has been scores of legislative and regulating instruments covering one or many of the aspects regarding labour. However, none of the framework covers the plight of domestic workers in the province of KP. It must be mentioned that the province of Punjab has taken the lead in establishing a legislative framework for domestic workers known as Punjab Domestic Workers Act 2019. In similar fashion the Federal Govt. through a private legislature has introduced a Bill on the same subject and is awaiting approval of the parliament. Hence, it is established that the existing legal framework cannot cater to the needs of Domestic workers and a Legislative action must be taken at the provincial level to fill the legislative gap in the province of KP.

Based on what has been gathered from studying the issues involved a Law needs to be made for the protection of Domestic Workers in the province of KP. The salient features of such legislation may include rights and protection about employment of domestic workers, it includes prohibition of employment of children, no discrimination as to religion race cost sex ethnicity domicile migration or any other reason, protection against extra work, dignified working conditions and occupational safety including health measures, sickness benefits, medical care, injury benefits, disablement pension, and survivors pension etc. The domestic employee upon employment should be given a letter of appointment highlighting terms and conditions of employment including nature of work and amount of wages. The employee should be entitled to holidays with wages maternity benefits accommodation medical examination vaccination etc. payment of wages should be time bound and domestic workers as well as employers must be registered with the government. There must also be a fund established under the law for the welfare of domestic workers.



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