

<b>Project:</b> SCI-Pak
<b>Place:</b> Ministry of Labour and Manpower, Pak Secretariat, Islamabad <a href="http://202.83.164.26/wps/portal/Molmop">http://202.83.164.26/wps/portal/Molmop</a>
<b>Date:</b> Wednesday, 22 December 2010
<b>Interviewee:</b>  Muhammad Javaid Iqbal Central Labour Advisor, Ministry of Labour and Manpower Tel: +92519201801 <a href="mailto:Javaid2474@hotmail.com">Javaid2474@hotmail.com</a>
<b>Interviewer:</b> <ul style="list-style-type: none"> <li>• Shafqat Ullah (CPI)</li> <li>• Ahmed Ammar Yasser (IHT)</li> </ul>
<b>Topic(s):</b> Interview of Existing Policy Framework Regarding Sustainable Production
<b>Copies to:</b>

<b>Topic(s)</b>
Interviewers thanked Mr. Iqbal for sparing time for the meeting.
<b><u>Current State:</u></b>  Interviewing team briefed Mr. Iqbal on the SCI-Pak project and explained him about the link between sustainability and employee health and safety with which Mr. Iqbal was agreed.  He said that the labor supply in Pakistan was more than the demand. The condition of employee's health and safety has direct impact on the job performance and productivity. There are many studies that have proved this relation. When asked about any particular study with reference to Pakistan, he did not mention any particular study. However he was convinced that this relationship exists. However, recent energy crisis and global economic meltdown has resulted in layoffs and unemployment.
<b><u>Existing Policies:</u></b>  He said that in Pakistan employee health and safety was being governed by Pakistan <b>Factories Act, 1934</b> . It has features on : <ul style="list-style-type: none"> <li>• Cleanliness.</li> </ul>



Regarding the role of the government, he mentioned many schemes for the benefits for the employees. To name the few:

- Employee Social Security (take cares of medical needs)
- Worker Welfare Fund ( take care of retirement funds)
- Industrial Relationship Ordinance (scholarship to employee's children, schools, colleges for them)
- Employees Old Age Benefits
- National Training Bureau
- National Industrial Relationship Commission

There is also a **labor code** of Pakistan.

To evaluate the state of labor market, there is **Human Resource Development Wing**. It gathers the data for the labor market as well as provides recommendations for better utilization of Pakistani labor in local and international labor market.

### **Capacity of Existing Institutions:**

Regarding the institutional capacity of Ministry of Labor and its departments, he pointed out the following issues:

#### **Merit:**

He was of the opinion that merit was not being followed in the appointment of lower and middle level staff. As a result, the efficient running of the departments gets hampered. This principle of merit is ignored to give employments to cronies of authorities as well as political motivations. As a result, some people have to do work of others as well.

#### **Transparency:**

There is lack of transparency in the working ministry. This results in political pressures on the officials undertaking their responsibilities.

#### **Wages:**

The wages of the staff are low. Moreover they are not paid as per the requirement of jobs. Like the labor inspector is not paid for the fuel expenses ~~he may incur~~ during his inspection routine. This results in corruption in the lower staff.

There is a system for enforcement of labor laws. There are labor courts which have status of session courts.

However the **Labor Inspection System** is dysfunctional since 2003 industrial policy. It was made dysfunctional under the allegation of corruption of labor inspectors. The policy envisioned to develop a new inspection system based on local government

representation. However the new system was never realized. Hence at present there is no functional system to inspect the implementation of laws.

Funding is also an issue of the labor department.

Capacity and capability is also an issue. Committed people in the department are not much and most of them have been employed on political base.

Training institutes are needed in the country.

He informed that ~~the~~ a part of the income of the companies is used to run the above mentioned institutions.

### **SMEs Role in Implementing Employees Health and Safety:**

However factory owners avoid these by adopting many ingenious methods. Some of the methods noted were:

- Hiring employees on daily wages not on contract or permanent basis so that labor laws may not apply to them (otherwise labor will get benefits from owner's pocket)
- Showing employees less than the actual numbers by bribing the labor inspector
- Not allowing the labors to form labor unions (otherwise they will fight for the labor rights)
- Using human resource management department not to build the human resource but to find ways to provide short term monetary benefits to companies by cutting down labor benefits

In the reference to tannery industry, he mentioned that there was a labor force which was ~~that is~~ unaccounted in the national labor force because they came under the category of home based workers. However, under the convention of 117 International Labor Conference, domestic workers have been incorporated and registered in the national labor force in the new labor policy.

Mr. Iqbal was very positive about the role that civil society and NGOs could play for the betterment of labor health and safety as well as enforcement of the labor laws.

Mr. Iqbal agreed to participate in the policy dialogue in future as well as consented to answer questions if any.

Mr. Iqbal shared the draft of **Labour Policy 2010** and requested any comments on that (copy is attached).

He also consented to quote him for the interview's minutes.

The interviewing team thanked Mr. Iqbal for his time.