



International
Labour
Organization

DECENT WORK COUNTRY PROGRAMME

ILO COUNTRY OFFICE FOR PAKISTAN

2010 – 2015

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ACRONYMS

10 th 5-Year Plan	Successor to the MTFD for the period 2010 – 2015
ADB	Asian Development Bank
ARP	Agriculture, Rural Development and Poverty Alleviation
BIP	Biennial Implementation Plan
BISP	Benazir Income Support Programme
CAP	Consolidated Appeal Process
CACL-II	Combating Abusive Child Labour Programme
CAT	UN Convention Against Torture (1984)
CEB	UN System’s Chief Executives Board
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women (1979)
CERD	Convention on the Elimination of All Forms of Racial Discrimination (1965)
CLU	Child Labour Unit
CRC	Convention on the Rights of the Child
CSR	Corporate Social Responsibility
DNA	Damage and Needs Assessment (Post-2010 flood response – led by WB & ADB)
DWCP	Pakistan Decent Work Country Programme – ILO support to the NPADW
DWST	ILO Decent Work Support Teams
DWTF	Decent Work Task Force – tripartite oversight and monitoring of the NPADW
EAD	Economic Affairs Division (Ministry of Finance)
EET	Employment, Education & Training (ILO One UN Joint Programme)
EFP	Employers’ Federation of Pakistan
FATA	Federally Administered Tribal Areas
FBS	Federal Bureau of Statistics
FIMA	<i>Flood Impact on the MDG Analysis</i>
GDI	Gender Development Index
GDP	Gross Domestic Product
Gilgit-Baltistan	Formerly Federally Administered Northern Areas (FANA)
HDI	Human Development Index
HDR 2010	Human Development Report: 20 th Anniversary
HPI	Human Poverty Index
ICCPR	International Covenant on Civil and Political Rights (1966)
ICESCR	International Covenant on Economic, Social and Cultural Rights (1966)
IAGoGE	Inter-Agency Group on Gender Equality

IDP	Internally Displaced Persons
ILC	International Labour Conference
INGAD	Inter-Agency Gender and Development Group
KPK Province	Khyber-Pakhtunkhwa Province (formerly North West Frontier Province)
LMIAU	Labour Market Information and Analysis Unit (of MoLM)
MTDF	Medium Term Development Framework (2005-2010)
MDG	Millennium Development Goals
MDW	Mainstreaming Decent Work (ILO On UN Joint Programme)
MoLM	Ministry of Labour & Manpower
MDTF	Multi Donor Trust Fund
NPADW	Pakistan National Plan of Action for Decent Work
NRSP	National Rural Support Programme
One UN	UN Reform Programme in Pakistan on <i>Delivering as One</i>
OP I	One Programme in Pakistan (2008 – 2012) – extended UNDAF 2004-2008)
OP II	One Programme in Pakistan (2013 – 2017) (Pakistan UNDAF)
PCNA	Post-crisis Needs Assessment (Khyber Pakhtunkhwa)
PDF	Pakistan Development Forum
PECLR	Post-earthquake Child Labour Response Project (ILO)
PET	Pakistan Employment Trends series of reports
PNGF	Pakistan: New Growth Framework (2011)
PRSP	Pakistan Poverty Reduction Strategy Paper (II)
PSLM	Pakistan Social and Living Standards Measurement Survey
PWF	Pakistan Workers' Federation
RBM	Results-based Management
RF	Results Framework
ROAP	ILO Regional Office for Asia and the Pacific, Bangkok
TEVTA	Technical Education and Vocational Training Authority
TGP	Towards Gender Parity (ILO implemented One UN Joint Programme)
TREE	Training for Rural Economic Empowerment – an ILO methodology
UNDAF	United Nations Development Assistance Framework
WEBCOP	Workers' and Employers' Bilateral Council of Pakistan
WFCL	Worst forms of child labour

I. COUNTRY CONTEXT AND BACKGROUND

The *Islamic Republic of Pakistan* became an ILO Member State in 1947 and is represented by the Ministry of Human Resource Development¹ (MoHRD), the Employers' Federation of Pakistan (EFP) and the Pakistan Workers' Federation (PWF).

Thirty four (34) International Labour Standards, including all eight fundamental Conventions have been ratified by Pakistan and forms the basis of ILO assistance.

Pakistan's population as of July 2011 is estimated at 187.3 million, with an annual estimated growth rate of 1.5 per cent, comprising 52 per cent male and 48 per cent female with more than 50 per cent being youth between 15 and 29 years of age.

Pakistan is bordered by Afghanistan and Iran in the west, India in the east and China in the far northeast, with sea borders to the south. It is a federation of four provinces (Punjab, Sindh, Balochistan and Khyberpakhtunkhwa), a capital territory (Islamabad), and two semi-autonomous regions (FATA² and Gilgit-Baltistan), and the Pakistan administered portion of Kashmir. In 2008 Pakistan returned to parliamentary democracy with a federal structure and a Constitution that guarantees the rights and freedoms of all citizens.

Pakistan has faced a number of crises over the past few years which have severely and negatively affected its economic and social stability. Since 2008 Pakistan's economy has faced macroeconomic instability, fiscal retrenchment and external account weaknesses. Real growth in GDP dropped to 3.8 per cent in 2009-2010 with 2011 expected at around 2.4 per cent. The International Monetary Fund (IMF) bailout fund helped to stabilise the external account however other recommended measures that have compelled the Government to phase out subsidies and tighten monetary and fiscal policies have contributed to increased inflation, and especially food and fuel inflation.

Pakistan was still recovering from the 2005 earthquake epi-centred in Azad Jammu Kashmir and affecting parts of Gilgit-Baltistan and Khyberpakhtunkhwa when the 2010 monsoon floods, with heavy rainfall, flash floods and riverine floods combined to create a moving body of water covering approximately one-fifth of Pakistan. This exacerbated an already challenging IDP situation. Around 78 of a total of 121 districts, and more than 20 million people were affected. At least 1.9 million homes have been damaged or destroyed and according to ILO estimates, employment losses in the flood affected areas, especially of the most vulnerable and marginalised, amounting to at least 5.3 million.

The post-flood 2010 Damage and Needs Assessment (DNA) coordinated by the World Bank and ADB, with ILO and other UN agency inputs estimates that more than \$9.7 billion will be required to rebuild mainly infrastructure. A Multi Donor Trust Fund (MDTF) has been set up to mobilise resources. The 2011 floods which severely affected most of Sindh province have added considerably to this need.

The 2010 UN conducted *Flood Impact on the MDG Analysis (FIMA)* estimated that approximately \$4 billion will be required to bring Pakistan back on track towards achieving its MDG commitments. The bulk of support will be required for MDG 1, with target 1b on decent and productive employment being key.

The UN Consolidated Appeal Processes (CAP, 2010 & 2011) require more than \$2 billion to cover relief and early recovery needs alone.

International development measures including the 2009 Human Development Index (HDI), the Human Poverty Index (HPI) the gender-related development index (GDI) rank Pakistan amongst the lowest in the world.

¹ Under the 18th Amendment to the Constitution of April 2010 the Ministry of Labour and Manpower was dissolved and of the majority of its functions devolved to the provincial labour secretaries, while the remaining federal level responsibilities have been assigned to the Ministry of Human Resource Development (MoHRD)

² Federally Administered Tribal Areas

Overall literacy is low and estimated by both the 2008-09 Labour Force Survey and Pakistan Social and Living Standards Measurement (PSLM) Survey at 57.4 per cent (69% for males and 45% for females), up from 56.2% in 2007-08. Literacy in urban areas is higher (74%) than in rural areas (48%) and is more prevalent for men (69%) compared to women (45%). This is linked to Pakistan's low spending on public education as a percentage of GDP (2.1% in 2008-09). These literacy levels impact negatively on the ability of workers to participate in freely chosen, productive employment and consequently decent work.

Economic growth is seen as an essential but not sufficient condition for poverty alleviation, requiring the productive, remunerative and decent employment, especially in those sectors and the rural areas where the poor live and work. The ILO's mandate and technical expertise is recognised in numerous national development documents and the UN development assistance framework, articulated in the One Programmes I and II. This Decent Work Country Programme (DWCP II) articulates ILO's support to decent work challenges that have been identified in close consultation between the government, employers' and workers' representatives.

Pakistan's labour market is undergoing structural changes, as reflected in the increasing share of industry and decreasing share of agriculture in total employment and in GDP. Despite its decreasing contribution to GDP, employment in agriculture is increasing. Available labour market indicators suggest that despite gains in employment opportunities as reflected in labour force participation rates, this structural transformation is yet to benefit the majority of workers who lack decent and productive employment.

Population growth rates have fallen to around 1.5 per cent however the labour force growth rate remains high at around 3 per cent. In its 2010-2015 Medium Term Development Framework (MTDF) the Government recognised that whilst economic growth at an average of 5.5 per cent will be low in relation to the high growth of the labour force, it needed to raise the employment intensity of growth through appropriate labour market and sectoral policies and targeted support programmes to help create employment especially in less developed areas. A strategy to increase the capacity of the economy to absorb the available labour by focusing on activating labour-intensive sectors was being pursued. This will be made all the more difficult by the impact of the floods.

Other vulnerable and marginalised men and women such as those caught up in the cycle of low levels of education and literacy with limited work related skills and are also under-represented, especially in the formal economy.

A new *Pakistan: Framework for Economic Growth (PFEG)* adopted by the National Economic Council in May 2011 recognises that Pakistan, in its old growth model, had been excessively focused on public sector investment and producing labour with low-end technical skills. The new growth model will focus on increasing both the quantity and quality of investment. The private sector is expected to drive economic growth with the public sector ensuring timely implementation of market reforms, to promote competitiveness. Key elements of the framework focus on improved physical capital with increased sector and project-based public investment; enhanced skills and education; and increased productivity through innovation, entrepreneurship and access to markets.

International Commitments and the National Development Framework

Social justice, achieved through the goals of *social progress, and peace and prosperity for all, attained in conditions of freedom, dignity, economic security and equal opportunity* are enshrined in the Constitution of Pakistan.

In addition to the ratification of 34 ILO Conventions, including the 8 fundamental Conventions, Pakistan has committed to the *Millennium Development Goals (MDG)*. It has also ratified the *International Covenants on Civil and Political Rights (ICCPR)* and *Economic, Social and Cultural Rights (ICESCR)*, the *Convention on the Rights of the Child (CRC)*, the *Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)*, the *Convention Against Torture (CAT)* and the *Convention for the Elimination of All Forms of Racial Discrimination (CERD)*. These international instruments provide the framework for the UN and ILO's programmes in Pakistan. This work is operationalised through the *UN Development Assistance Framework (UNDAF, 2004-08)*, the *One UN Programme I (2009- 12)* and the forthcoming *One Programme II (2013 – 2017)*

Governance, economic and social change are catalysed in a number of key documents including **Vision 2030**, the **10th 5-Year Plan: Investing in People (2010-2015³)**, the **Poverty Reduction Strategy Paper (PRSP II⁴)** and now the **Pakistan: Framework for Economic Growth (2011)**. The MTDF, 2010-15 will be updated to respond to the PFEG.

Pakistan has been a pilot country for UN Reform since 2007 and engages 21 UN entities through its Country Team. The four areas for reform include *One Leader, One Programme, One Budget and One Office* reflected in the **One Programme Document (OP I, 2009 – 2012)**, which built on the **UN Development Assistance Framework (UNDAF 2004 – 2008)**. OP I recognises gender equality as one of four cross cutting issues, along with human rights, refugee rights and civil society engagement.

Economic Growth, Employment and Poverty Alleviation

Economic growth, forecasted at 3.3 per cent in 2009-2010 was expected to rise to around 6.6 per cent in 2014-2015, averaging 5.5 per cent per year. A growth rate of around 8 per cent is required to absorb the current level of labour market entrants. However, in light of the national and global crises this has now been revised downwards with the State Bank of Pakistan predicting that real GDP growth is likely to be in the range of 2 to 3 per cent in 2011 against the annual plan target of 4.5 per cent. Economic growth has recently been driven primarily by the services sector, real estate and the stock market, employing around 36 per cent of the population. Real GDP was estimated in 2009 at 2.7 per cent with a per capita GDP (and purchasing power parity) of around USD2,600.

Agriculture, the largest employment sector, and industry in general with the highest employment growth potential are yet to be targeted fully. Pakistan has large tracts of arable land, natural gas, some oil, substantial hydro-power potential, coal, iron, copper, salt and limestone, and produces wheat, cotton, rice, sugarcane, eggs, fruit, milk, vegetables, beef and mutton, however the inequitable distribution of the proceeds of development and wealth has resulted in poverty remaining widespread and, according to some estimates, increasing.

The poverty alleviation strategy of the 10th 5-Year Plan (2010-2015) and the new PFEG focuses around changes in the inequitable institutional structure, and includes provisions for access to credit and assets, and job opportunities through skilling.

Labour migration to countries around the region and further afield for the more qualified is being encouraged as remittances contribute significantly to foreign exchange earnings. In 2007 remittance in-flows amounted to approximately USD5.9 billion and Pakistan ranked 17th out of 157 surveyed countries. However remittances per capita were very low at around USD37 and Pakistan's ranking at 102nd shows that the majority of the Pakistani workforce employed overseas is essentially semi or

³ Updated from the Medium Term Development Framework (2005 – 2010)

⁴ adopted in November 2008.

unskilled. This is changing with 2011 estimates by the State Bank of Pakistan showing significant increases due to external factors.

Expenditure on public education and health has declined, however the recent 18th amendment to the Constitution provides for free compulsory education for children between 5 and 16 years of age. The challenge will be to allocate the necessary resources and provide equitable access to quality education.

The war on terrorism combined with a fragile energy infrastructure and the global economic recession has, and is taking a severe toll on all productive sectors. Social systems and structures that have traditionally provided strong safety nets are also starting to feel the pressures of the economic fragility.

Mainly unconditional cash transfers through mechanisms such as the *Pakistan Bait-ul-Maal* and *Benazir Income Support Programme (BISP)* have supported the most vulnerable during the recent national and international crises however these are now being reviewed and the 2010 national budget includes specific allocations for employment guarantee and skills development programmes utilising BISP funds. These allocations are now being reviewed in the context of the floods.

Unemployment and insufficient jobs in the global market is also having a particularly adverse effect on Pakistan. The fear of greater long-term unemployment is undermining confidence, affecting consumption and investment decisions, and presents a major threat to Pakistan's economic recovery, further exacerbated by the volatile security situation. Perceptions of job precariousness are exerting further downward pressure on wages, aggravating the risk of depressed aggregate demand and the poverty situation in the country. At the same time the national minimum wage was increased to PKR7,000 per month on 1 May, 2010. In short, economic recovery remains fragile as long as the unemployment crisis continues.

The Labour Market and Decent Work Challenges

Pakistan's crude labour force participation rate is estimated at 32.8 per cent (LFS, 2008-09⁵), up from 32.2 per cent in 2007-08. The total labour force is estimated at 50.79 million in 2008-09, up from 49.09 million in 2007-08. Unemployment increased to 5.5 per cent, up from 5.2 per cent in 2006-07. Males constitute 78.83 per cent of the employed, and females 21.17 per cent, with a higher proportion of women being unemployed (65.34%) as compared to men (34.66%), and more in urban than rural areas. These figures however mask the issues of underemployment and the poor quality of work and remuneration that many Pakistanis face.

The majority of Pakistanis, around 45.1%, earn their living from agriculture and allied activities. In terms of employment status, numbers are increasing with 2.6 per cent (up from 1%) being employers, own-account workers 41 per cent (up from 34%), unpaid family workers (29%) and employees (45%, up from 36%) constituting the balance.

Formal economy activities are concentrated in urban areas (29.4%) as compared to rural areas (23.8%) and employment decreased from 27.2 per cent to 26.7 per cent from 2007-08 comprising mainly amongst males and rural workers.

The informal economy accounts for more than 70 per cent of employment in the majority of jobs outside of agriculture, with more rural (76.2%) than urban (70.6%), and increasing numbers of males (73.3% vs 72.8% in 2006-07). Women are increasingly joining the work force but often in the informal economy which is dominated by low paying, poorly protected jobs that pose particular threats to their reproductive health and consequently to the welfare of their families. During the same period waged and salaried employment increased by only 2.4 percentage points of the unemployed (15+), whilst own-account workers decreased by more than 7 percentage points. The proportion of those working excessive hours has declined slightly since 1999-2000 but only because the proportion of females in total employment, who work less than 30 hours increased. The proportion of males working excessive hours has risen by 1.4 percentage points since 1999/2000.

⁵ Labour Force Survey (2008-09)

Despite recent gains in terms of employment and unemployment a clear gender gap is evident. The female labour participation rate is 19.6 per cent as compared to males at 69.5 per cent. Women continue to be under-represented and under-utilised in the economy and labour market and tend to predominate as unpaid family workers in agriculture, and hold low paid, low skill jobs and at the lowest tiers of the industrial labour force in urban areas.

Women counted as employed include employees, self employed, unpaid family workers and those generally engaged in low skilled, low wage economic activities. More than half of these women earn less than 60 per cent of men's incomes. The bulk of the female labour force is employed in the informal sector, and is not covered under legal protection and labour welfare institutional mechanisms. In the urban informal sector 67.5 per cent of women work mostly as home-based or casual workers on low wages, or as domestic workers with extremely low remuneration. Women appear generally unaware of labour laws and are not unionised, therefore unable to exercise their rights.

The labour participation rate of children aged 10 to 13 years, who should be in education, is 13.1 per cent despite a slight decrease recorded in the LFS 2008-09. Given that the employment of children is illegal in Pakistan this figure is likely to be under-representative of the problem. Among youth 37 per cent of 15 to 19 year olds, 53.8 per cent of 20 to 24 year olds and 57.5 per cent of 15 to 29 year olds are engaged in some form of employment, mainly due to limited choices. The majority of those not recorded in employment are likely to be in the education system.

Whilst the Constitution ensures equality before the law and especially in relation to maternity benefits during employment and equal access to public places most Constitutional rights have not been given statutory effect through special laws that protect women. Except for maternity benefits and the recent passage of the Sexual Harassment Bill in January 2010 there are no special laws that protect the rights of women in the workplace. Existing legal provisions do not guarantee equal remuneration for work of equal value, or the protection of labour rights of domestic workers and home-based workers. Pakistan's ratification of CEDAW does provide impetus for more targeted interventions.

Key Indicators of Decent Work for Asia and the Pacific⁶ for both men and women show that while improvements have been made major challenges still remain. Overall, men seem to benefit more from improvements in the labour market. In 2007 the share of men with a wage and salaried job was almost double that of females, indicating that the few waged and salaried jobs created tended to go to men rather than women.

According to the Pakistan Employment Trends Report (series no. 4 on Achieving MDG Target 1b) (PET 4), roughly six out of ten employed people in Pakistan in 2006-2007 were considered to be vulnerable, or "at risk of lacking decent work". It is recognised that the large share of female vulnerability needs special attention. Also of concern is the large share of youth vulnerability (> 58 %). Although often better skilled than the rest of the labour force young men and women seem to face similar labour market difficulties as adults. The low labour productivity (1.8% per year on average over the last decade) does not equate with the increasing labour force (3.4% per year on average) and employment growth (3.7% per year on average), suggesting that many new labour market entrants are taking on low-productivity, poorly remunerated work.

Additional findings in PET 4 suggest that the problem is not so much the absence of economic activity but the low quality and low productive nature of these activities which leads to low incomes. Most of the poor and vulnerable are working very hard and long hours but in very low productivity work, where social protection and safety nets and networks are most often inadequate or totally missing. The majority of Pakistan's population cannot afford to be unemployed.

Increased productivity and empowerment, especially of women and youth, through targeted human resource development interventions would enhance employability, increase incomes and reduce

⁶ Decent Work Indicators for Asia and the Pacific: a guidebook for policy makers and researchers, ROAP, Bangkok, ILO, 2008

poverty. Access to *decent work* and productive employment is essential as a sustainable way out of poverty and to meet the Millennium Development Goals.

Organised representation of workers' and employers' remains low and exists predominantly in the formal economy, and the informal economy and agriculture sectors are largely unorganised. At the same time industrial relations legislation is not as conducive as it could be to encouraging greater participation. The voice of women and young people is especially under-represented and efforts are being made for greater empowerment. The EFP and PWF are actively involved in advocating for increased representation through political, economic and social forums, supported by the ILO and other international organisations.

In supporting Pakistan's efforts to operationalise its ratified Conventions to successfully deliver its *decent work agenda* the Office will work within the framework of the *2010 National Labour Policy, draft National Employment Policy, the Labour Protection and Inspection Policies, the National Skills Strategy, the National Youth and Education Policies* and the *National Policies and Plans of Action to Eliminate Child Labour and Abolish Bonded Labour and other relevant frameworks*.

The Constituents, in consultation with the ILO and other stakeholders, have highlighted a number of *key decent work challenges* that resonate through the most recent development documents, including the PRSP II, the 10th 5-Year Plan (2010-2015) and now the PFEG. These challenges are:

1. Weak alignment of national legislation with ratified Conventions (in particular the eight fundamental Conventions) for increased domestic and international investment;
2. Ambiguity in federal and provincial labour laws and slow pace of labour law reform, as required under the National Labour Policy;
3. Weak application of national labour legislation and regulations to increasingly formalize the large and growing informal economy;
4. Sluggish pace of implementation of the National Policy and Plan of Action to Combat Child Labour (2000);
5. Sluggish pace of implementation of the National Policy and Plan of Action for the Abolition of Bonded Labour and Rehabilitation of Freed Bonded Labourers (2001);
6. Lack of productive and guaranteed employment opportunities to address the employment-poverty nexus in consonance with the Decent Work Agenda, and in particular in emerging areas and innovative areas such as those that create *green jobs*;
7. Limited capacities to analyse and use labour market information for more productive and better remunerated employment that supports economic growth and social progress;
8. Lack of a systematic delivery system of competency-based vocational/technical and employability skills linked in to an effective labour market information system;
9. Insufficient employment being generated through micro-, small and medium-sized enterprises;
10. Limited and weak participation of the most vulnerable and marginalised women and men of all ages in the national economic mainstream under the gender-poverty nexus;
11. Lack of decent work opportunities and protection of Pakistanis working in other countries;
12. Insufficient and ineffective coverage of social safety nets and social security systems;
13. Precariousness of workers well-being through weak and inconsistent application of occupational safety and health and other workplace related standards;
14. Insufficient capacity and resources of employers' and workers' representatives to constructively engage in social dialogue at all levels.
15. Major changes brought about by the 18th amendment to the Constitution in May 2010 which gives the Parliament, Prime Minister, the judiciary and provincial Governments greater autonomy. The ramifications of the devolution of labour and other related issues to the provinces are yet to be seen.

ILO Cooperation and Lessons Learned

The ILO's engagement in Pakistan is primarily through the ILO constituents, with the Ministry of Labour and Manpower (MoLM) as the key interlocutor at the Federal level in conjunction with other government institutions such as the Ministry of Finance and Planning, the Economic Affairs Division (EAD), and the Ministries of Women Development; Youth Affairs; Education; Environment and Health. Increased engagement with provincial mechanisms will result from the 2010 18th amendment to the Constitution.

The Employers' Federation of Pakistan (EFP) and the Pakistan Workers' Federation (PWF) also facilitate the engagement of other employer and worker representatives.

Other direct recipients and beneficiaries of ILO interventions in the DWCP will be semi-government and non-governmental organisations whose capacity to deliver decent work responsive and sensitive programmes is strengthened through their engagement as implementing partners.

The ultimate beneficiaries of ILO support remain the most vulnerable women, men, youth, disabled, and other marginalised groups such as people living with HIV and AIDS (PLHIV), bonded labourers and child labourers and their families.

Various means of action combining advocacy and technical advice, capacity development and services and direct demonstration projects will be used.

At the global level the adoption of the **ILO Declaration on Social Justice for a Fair Globalisation (SJD)** by Member States at the 2008 *International Labour Conference (ILC)* reiterated support for the *Decent Work Agenda* and the forging of an effective response to the growing challenges of globalization. Gender equality and non-discrimination are considered to be cross-cutting for all four strategic objectives. The **Global Jobs Pact** adopted by the 98th session of the ILC in 2009 provides *an internationally agreed basis for policy-making designed to reduce the time lag between economic recovery and a recovery with decent work opportunities*.

A **Social Protection Floor** should also be progressively developed including access to health care, income security for the elderly and persons with disability, child benefits and income security combined with public employment schemes for the unemployed and working poor. It should serve the millions of workers in precarious, low-income informal and unprotected jobs as well as vulnerable groups in Pakistan that are not able to support their families. Social security programmes can work as economic stabilizers and address poverty in the longer term.

Pakistan is one of the eight "Delivering as One" pilot countries and the ILO and tripartite Constituents are actively engaged in the change management process. Decent work is embedded in the *UN Development Assistance Framework (UNDAF, 2004 – 2008)* and *One Programme Document (2008 – 2012)* and employment and decent work issues have been mainstreamed in the five Joint Programmes⁷. The ILO is actively supporting the integration of decent work objectives and initiatives into the One UN Reform Pilot Programme and specifically through Joint Programme Component (JPC) covers *decent and productive employment for poverty reduction*. The ILO is strongly represented in the *Inter-Agency Group on Gender Equality (IAGoGE)* and *Inter-Agency Gender and Development Group (INGAD)* as gender equality is one of four cross-cutting issues, along with human rights, civil society engagement and refugees.

Key results achieved under the first DWCP include the convening of the 24th Pakistan Tripartite Labour Conference after a lapse of 13 years that informed the passage of the National Labour Policy on 1 May, 2010. The National Skills Strategy of 2008 and the National Education and Youth policies of 2009, the Sexual Harassment Bill, and final drafts of the National Employment Policy, the Labour Protection and Inspection Policies and the National Home-based Workers Policy promote and advocate the decent work agenda.

⁷ Agriculture, Rural Development & Poverty Alleviation; Disaster Risk Management; Education; Environment and Health & Population

Increased awareness of child and bonded labour is reflected in media reports and by an increasing number of NGOs. Donor funding for human trafficking/forced labour projects is also increasing.

The TREE methodology has been adapted and mainstreamed within the National Rural Support Programme (NRSP). Competency-based vocational training has gained impetus amongst key stakeholders with ILO supporting the development of skills and labour market information interventions. Labour market information as a planning and advocacy tool is evidenced in the setting up of a Labour Market Information and Analysis Unit (LMIAU) within the Ministry of Labour and Manpower (MoLM).

The assessment of employment losses in the aftermath of the 2005 earthquake and the recent monsoon floods was undertaken by the ILO and has been quoted extensively by the Prime Minister and other key actors.

The ILO has worked extensively with the constituents, UN agencies and other civil society stakeholders to raise awareness of gender equality issues in the workplace. The Canadian Government has been a key proponent of the ILO's work by providing substantial resources to ensure that women's employment concerns are not only reflected in policies and strategies but also translated into practical programmes that have enabled women, both working within and outside of the home to realise their economic and social potential.

The ILO has provided technical assistance over the last few years with funding from the Governments of Canada, Norway, Switzerland, Italy, the United States of America, the United Kingdom, the Netherlands, Italy and Denmark. Multilateral institutions such as the European Commission and the World Bank and UNDP have also funded ILO technical assistance. The ILO continues to work in close consultation and collaboration with UN system agencies to ensure the mainstreaming of the decent work agenda.

More recently a significant proportion of financial support has been allocated for humanitarian activities in the aftermath of the 2005 earthquake and the 2010 and 2011 floods, and to alleviate the effects of other natural disasters and crises situations. The international community is now grappling with the additional needs raised by the impact of the floods.

A strong tenet of ILO support under the first DWCP (2006 – 2009) has been the strengthening of institutional capacities to improve the labour and employment environment. With support from a number of key funding sources including the Governments and people of Canada, Italy, the USA, the Netherlands, Norway, the UK and other multilateral partners both policy and operational level interventions across all four strategic objectives have been implemented. Child and bonded labour, women's economic empowerment, skills development, labour market information and analysis, workers' and employers' education and awareness programmes and support for post-earthquake recovery interventions have provided the foundation and framework for supporting federal, provincial and local level governments, workers' and employers' organisations' efforts to improve the labour and employment environment.

However, in the volatile and uncertain political, economic and social situation progress towards the expected results has been slower than anticipated. The UN reform process, whilst providing a strong platform for more coherent collaboration within the UN has also placed additional burdens on the Office and the Constituents. During recent tripartite consultations the Government, workers' and employers' organisations advocated for a stronger and more robust results-based planning, monitoring and reporting system and acknowledged their need for greater commitment.

The need for strategic and focused technical assistance from the ILO is recognised as being critical for the effective and efficient achievement of results, however the challenging and uncertain political, economic, social and security climate is acknowledged as being a key factor in influencing progress.

OP I enabled the ILO and constituents to highlight and raise awareness of decent work issues across the UN and among other key economic and social actors. The new One UN Programme (OP II, 2013 – 2017) provides an additional and timely opportunity to ensure that the DWCP II effectively highlights and integrates key labour and employment issues.

COUNTRY PROGRAMME PRIORITIES

Four broad priority areas that emerged from consultations for the first *National Plan of Action and Decent Work Country Programme* remain relevant within the current *National Plan of Action for Decent Work* (NPADW, 2010 – 2015):

- A. Labour law reform
- B. Employment generation through human resource development, with a focus on employable skills
- C. Social protection expansion, including in the informal economy
- D. Tripartism and social dialogue promotion

Consultations on DWCP II began in late 2009. The 18th Constitutional amendment in April 2010, and the devolution of authorities and responsibilities to the provinces, combined with the re-assignment of responsibilities for labour and employment issues to the new Ministry of Human Resource Development (MoHRD) provided additional guidance to the process and content of the DWCP. The implementation of 18th amendment decisions culminated at the end of June, 2011 which enabled the move towards the finalisation of the DWCP II. Consultations were organised in November 2011 to seek the support and consensus of the tripartite constituents at the federal and provincial levels, enabling the finalisation of this Decent Work Country Programme document. In follow up bilateral consultations have been held with the four provinces and a number of strategic areas for early ILO support have been identified. Bilateral consultations will continue with federal government stakeholders and the EFP and PWF to identify priorities for the current biennium and beyond.

In Punjab the elimination of child and bonded labour, labour policy and legislative reform, labour inspection, occupational safety and health, labour market information, gender equality and youth employment have emerged as key issues.

Priorities for Sindh include support for the elimination of child and bonded labour, home-based work, occupational safety and health, policy and legislative updating and employable skills through TEVTAs.

Khyberpaktunkhwa highlighted the need for support for policy and legislative reform, enhanced capacity to contribute to ILS reporting and other labour related issues, the elimination of child and bonded labour, youth employment, gender equality, labour inspection, occupational safety and health and social security.

The team in the Department of Labour and Human Resources in Balochistan identified, for ILO support, capacity constraints in the key areas of policy and legislative reform, monitoring and reporting on ILS, extension of social security coverage to informal economy workers, employable skills, and the elimination of child and bonded labour.

The four broad priorities continue to guide the ILO's support during this *DWCP (2010 – 2015)* including ILO programmes initiated during the first NPADW/DWCP period. These priorities are reflected in the Pakistan Framework for Economic Growth, the 2010-2015 MTFDF, the PRSP, relevant labour and employment policies and the One UN Programme Document. In the aftermath of the 2005 earthquake and the 2010 and 2011 floods ILO interventions will also be tailored to medium and longer term priorities identified by Government and other stakeholders including:

1. Facilitating the pace of labour law reform through technical and financial support for tripartite and bipartite consultations on three key pieces of legislation for harmonious industrial relations, improved occupational safety and health and enhanced employment conditions and services;
2. Increasing women's participation in, and reducing discrimination in the workplace, with the objective of increased equality for both men and women;
3. Increasing women and men's access to opportunities to increase marketable skills for waged and/or self-employment;
4. Supporting institutional efforts, in particular of the tripartite constituents, to prevent, withdraw and rehabilitate child labourers and put in place mechanisms that ensure elimination of child labour practices;
5. Supporting tripartite initiatives to check bonded labour practices and the incidence of internal and external human trafficking and strengthening law enforcement responses;
6. Enhancing institutional and programmatic mechanisms, in particular of the tripartite constituents, that support the withdrawal of youth and vulnerable men and women from employment that is hazardous to their health and well-being, and improve their access to more productive forms of work;
7. Enhancing institutional mechanisms, especially of tripartite constituents, to improve the quality of labour market data and information;
8. Enhancing institutional mechanisms for labour inspection as means of ensuring and encouraging the application of labour laws and practices for decent and productive work;
9. Capacitating employers' and workers' representatives to constructively engage in social dialogue at all levels;
10. Enhancing the representation and voice of women and men workers through trade union membership;
11. Expanding the coverage of social protection to the working poor through increased formalization of jobs and incomes.
12. Mainstreaming decent work issues and objectives throughout the One UN Programme.

II. COUNTRY PROGRAMME OUTCOMES, INDICATORS AND STRATEGIES

The country programme outcomes, indicators and strategies will be managed within the context of the changed socio-economic situation in the aftermath of the 2010 and 2011 monsoon floods and the global economic and social environment. Current strategies take account of the opportunities provided by a more coherent and cohesive UN system and the increasing acceptance of the value of the tripartite constituency in achieving results. Developing capacities for using results-based approaches is a key overarching strategy.

The new draft national employment policy focuses on opening up new areas for industrial expansion; accelerating the development of the small-scale informal sector of the economy; promoting self employment; and evolving broad based skills development with the involvement of the private sector. Special emphasis is expected to be given to boosting overseas employment to reduce pressures on the domestic job market. The Government envisages that employment elasticity will improve if focus is given to sectors known to have high labour intensity, such as construction, small and cottage industries and personal and commercial services.

In response to gender equality provisions in the Constitution priorities for enhancing women's social, economic and political empowerment are articulated in the 10th 5-Year Plan: Investing in People, supported by a programmatic earmarking of PKR4.10 billion.

STRATEGIC OBJECTIVE: CREATING OPPORTUNITIES FOR DECENT EMPLOYMENT AND INCOME

COUNTRY PROGRAMME OUTCOME 1 – ACCESS TO EMPLOYMENT, INCLUDING FOR VULNERABLE GROUPS IMPROVED

Outcome Indicators:

1. Number of institutional arrangements that include productive employment and income opportunities especially in the national development frameworks, national labour market trends and emergency response programmes

Target: Institutional arrangements in a minimum of three key result areas such as the Pakistan Framework for Economic Growth, Medium Term Development Framework, and National Emergency Response plans reflect promotion of productive employment and income opportunities

Outcome Strategies:

1. Promotion and advocacy of gender-responsive, employment-centred national policies, strategies and results-based programmes that respond to the Pakistan Framework for Economic Growth and other key frameworks
2. Technical assistance through tripartite constituents address post-crises needs, through replicating successful ILO methodologies and best practices
3. Capacity development of constituents to mainstream employment and decent work

Technical Cooperation Projects:

Pipeline (resource gap):

- Labour intensive Public Employment Programme – employment centred crises recovery, rehabilitation and reconstruction
- ILO participation in the Humanitarian Response programme for Pakistan
- National and provincial employment policies finalised
- Labour market information and analysis supported
- Mainstreaming employment through forums/platforms (INGAD, IAGoGE, JUNTA)
- Social finance programme supported
- A youth employment programme supported

- Competency-based training curriculum and capacity development of instructors supported, with education, awareness, and advocacy elements

On-going:

- Gender Equality for Decent Employment (GE4DE) – improving access of vulnerable men and women to employable skills and decent work

STRATEGIC OBJECTIVE: ENHANCING SOCIAL PROTECTION COVERAGE FOR ALL

COUNTRY PROGRAMME OUTCOME 2: CONSTITUENTS ACTIVELY SUPPORTING THE SOCIAL PROTECTION FLOOR INITIATIVE

Outcome Indicators:

1. Extent of protection of migrant workers in national policies, strategies and programmes developed in collaboration with social partners

Target: Draft Migration Policy developed and approved by the government, with active participation of social partners

2. Extent of social security coverage and access of formal economy workers, including migrant workers, and informal economy workers

Target: Existing social security schemes accessible by all formal economy workers, including migrant workers, with increased coverage of informal economy workers

Outcome Strategies:

1. Develop knowledge and capacity of constituents to advocate for increased coverage of social security schemes of both formal and informal economy workers using the CEB Social Protection Floor Initiative and international labour standards
2. Develop capacity of constituents to mobilise and support formal and informal economy workers to access social security

Technical Cooperation Projects:

Pipeline (resource gap):

- Social protection coverage for workers – to support enhanced management and delivery of existing social protection products and services for workers in the formal and informal economies, including migrant workers
- ILO's HIV & AIDS protection tools adapted and utilised – to protect outgoing and incoming migrant workers

STRATEGIC OBJECTIVE: TRIPARTISM AND SOCIAL DIALOGUE STRENGTHENED

COUNTRY PROGRAMME OUTCOME 3 – EMPLOYERS HAVE STRONG, INDEPENDENT AND REPRESENTATIVE ORGANIZATIONS

Outcome Indicators:

1. The extent to which the EFP, with ILO support, strengthens services to respond to members/potential members needs and conduct policy research and advocacy

Target: A Strategic Plan for EFP and aligned capacity development programme for the EFP Secretariat and Management Committee members developed and being implemented

Target: The EFP capacity development programme being implemented for managers and staff resulting in better provision of training services related to the implementation of ILS

Target: Research activities on key labour and employment issues completed and results increasingly reflected in EFP submissions on national/provincial policies and legislation

Outcome Strategies:

1. Research, promotion and advocacy to enhance a gender-responsive knowledge base and capacities of the employers' and their representative organisations
2. Promotion and advocacy for the increased recognition of the EFP as a key gender-responsive economic and social stakeholder
3. Technical assistance to develop capacities of the women and men employers' and their representative organisations on social dialogue and productivity
4. Technical assistance to support the active involvement of the employers organisations in post-crises processes

Technical Cooperation Projects:

Pipeline (resource gap):

- Technical support for the implementation of a results-based Strategic Plan
- Technical support for ILS focused capacity development for EFP members
- EFP with support from ILO and in partnership with academic institutions, CSOs scale-up empirical research and develops policy choices for advocacy
- EFP in partnership with electronic and print media highlighting research results on decent work

COUNTRY PROGRAMME OUTCOME 4 – WORKERS HAVE STRONG, INDEPENDENT AND REPRESENTATIVE WORKERS ORGANIZATIONS

Outcome Indicators:

1. The Extent to which the PWF/workers' organisations, with ILO support are actively participating in policy level discussions on fundamental workers' rights and international labour standards

Target: PWF/workers' organisations providing inputs to Pakistan reporting obligations to the ILO, provincial level development plans, and DWCP and UNDAF (OP I & II)

2. The extent to which PWF research and advocacy activities and submissions on decent work incorporated into national/provincial policies, legislation and programmes

Target: Results of research activities and advocacy programmes on key labour and employment issues completed and increasingly reflected in PWF submissions on national/provincial policies, legislation and programmes

3. The extent to which PWF, with ILO support, strengthens services to respond to affiliates/potential affiliates' needs

Target: A Strategic Plan for PWF and aligned capacity development programme for PWF Staff and affiliates developed and implemented

Outcome Strategies:

1. Research, promotion and advocacy to enhance a gender-responsive knowledge base and capacities of the workers' organisations
2. Promotion and advocacy for the increased recognition of the PWF as a key economic and social stakeholder
3. Technical assistance to develop capacities of the workers' organisations on social dialogue and collective bargaining
4. Technical assistance to support the active involvement of the workers organisations in post-crises processes

Technical Cooperation Projects:

Pipeline (resource gap):

- Capacity building of PWF/workers' organisations to address decent work deficits
- Training of master trainers of PWF/workers' organisations on relevant ILS promotion and implementation
- PWF/workers' organisations research functions operational at the provincial and national levels
- PWF/workers' organisations in partnership with media advocating decent work within the policy environment
- PWF supported to develop and implement a membership campaign, strategy and plan among formal and informal economy workers
- PWF supported to design and conduct systematic training programmes on workers' education and organisation

COUNTRY PROGRAMME OUTCOME 5 – CONSTITUENTS ACTIVELY PROMOTING AND SUPPORTING THE ELIMINATION OF CHILD LABOUR, INCLUDING ITS WORST FORMS

Outcome Indicators:

1. Number of national and provincial authorities actively resourcing child labour elimination programmes

Target: At least three provincial authorities with an increased number of programmes that, with ILO technical support and with the active participation of the social partners, improves child labour elimination

Outcome Strategies:

1. Provide gender-responsive technical assistance to government child labour units (CLUs) to develop results-based programmes, building on existing interventions and best practice in Pakistan and globally, and to support post-flood related interventions to prevent more children from entering the workplace
2. Strengthen capacity and support interventions among men and women headed organisations through the on-going ILO implemented child labour elimination programme

Technical Cooperation Projects:

Pipeline (resource gap):

- Development of child labour elimination response programmes in the aftermath of the 2010 and 2011 floods

On-going:

- Combating Abusive Child Labour II (CACL-II) – institutional strengthening and direct action to withdraw children from the workforce

COUNTRY PROGRAMME OUTCOME 6 – CONSTITUENTS ACTIVELY PROMOTING AND SUPPORTING THE ELIMINATION OF FORCED/BONDED LABOUR

Outcome Indicators:

1. Number of provincial authorities actively resourcing forced/bonded labour elimination programmes
2. Number of promotional activities conducted by Tripartite constituent representative organisations to eliminate forced/bonded labour

Target: At least two provincial authorities, with ILO support, and with the active participation of the employers' and workers' organisations, have an increased number of programmes that address the elimination of forced/bonded labour

Outcome Strategies:

1. Provide gender-responsive technical assistance to provincial governments and tripartite constituents to develop results-based programmes on elimination of forced/bonded labour, building on existing interventions and best practice in Pakistan and globally
2. Support to build capacity and increase collaboration among tripartite constituents and key stakeholders to address forced/bonded labour

Technical Cooperation Projects:

Pipeline (resource gap):

- Programme to expand/extend the elimination of forced/bonded labour and human trafficking

On-going:

- Strengthening Law Enforcement Responses and Action against Internal Trafficking and Bonded Labour in Sindh and Punjab provinces (SL-ATBL) - provincial and district level interventions to address forced/bonded labour and human trafficking

COUNTRY PROGRAMME OUTCOME 7 – STRENGTHENED CAPACITY OF PAKISTAN TO RATIFY AND APPLY FUNDAMENTAL CONVENTIONS AND FULFIL REPORTING OBLIGATIONS

Outcome Indicators:

1. Timeliness and quality of reporting on ratified Conventions
Target: Reporting on ratified Conventions timely, coherent and in close consultation with social partners
2. Extent to which the Fundamental Principles and Rights at Work are applied
Target: Fundamental ILO standards consistently applied in national and provincial policies, legislation and programmes and One UN Programmes
3. No. of new ratifications of Conventions
Target: At least two additional Conventions ratified

Outcome Strategies:

1. Support labour law reforms by providing technical advice, sharing examples of good practice from other countries and facilitating the engagement of ILO constituents and other key stakeholders
2. Technical assistance to enhance the knowledge base and capacities of the MoHRD to report, and EFP and PWF to contribute

Technical Cooperation Projects:

Pipeline (resource gap):

- Capacity of Ministry of Human Resources Development (MoHRD) to coordinate with provinces to fulfil reporting obligations, in collaboration with other constituent partners supported
- Capacity of provincial Labour Departments, EFP and PWF to contribute to the fulfillment of Pakistan's reporting obligations, supported
- National level tripartite annual conferences on ILS supported
- Technical Assessment of provincial labour laws to identify gaps and capacity building of tripartite partners on labour law reform
- Support to federal Government and provincial DOLs to review/revise labour legislation, in consultation with social partners
- Rapid assessments and formulation/implementation of an action plan on strengthening labour administration with ILO support
- Sialkot Initiative resourced - increased competitiveness in selected industries through social dialogue mechanisms promoting core ILS

STRATEGIC OBJECTIVE: MAINSTREAMING DECENT WORK

COUNTRY PROGRAMME OUTCOME 8 – DECENT WORK INCREASINGLY REFLECTED IN NATIONAL AND SUB-NATIONAL POLICIES AND THE ONE UN PROGRAMME FOR PAKISTAN

Outcome Indicators:

1. Number of national and provincial policies with commitments to decent work/employment
Target: 2 national and at least 4 provincial policies reviewed, with ILO technical support and in consultation with employers' and workers' organisations, and reflecting non-contradictory and simplified commitments to decent work/employment
2. Number of joint and agency specific Outputs in the One Programmes (I and II) that promote decent work
Target: At least 10% of joint and agency specific Outputs reflect the use of the CEB Toolkit on Mainstreaming Employment and Decent Work, the CEB Social Protection Floor Initiative (SPF-I) and the Global Jobs Pact

Outcome Strategies:

1. ILO to actively participate in design, implementation, monitoring and reporting of the UN reform pilot programme and subsequent One Programmes
2. Develop capacities and facilitate access of ILO constituents, including at least 20% of women, to contribute to a results-based One UN programme
3. Advocate for and develop capacities of UN and constituents' officials to use the CEB Toolkit on Mainstreaming Employment and Decent Work, the CEB Social Protection Floor Initiative and Global Jobs Pact to deliver the One Programmes

Technical Cooperation Projects:

Pipeline (resource gap):

- Research to identify decent work deficits and inform national and sub-national policies and programmes
- Timely technical advice provided for the review of national and sub-national policies, programmes and legislation
- The ILO DWCP reflected in One UN Programme

On-going:

- Mainstreaming decent work using international and ILO products and tools – especially those collectively endorsed by UN entities

III. IMPLEMENTATION AND MANAGEMENT

Pakistan's first National Plan of Action and Decent Work Country Programme (**Pakistan DWCP, 2006-2009**) was developed in 2004-05 by the Government, in close consultation and collaboration with the EFP and PWF and other relevant stakeholders. The ILO has continued to interact and consult with the Constituents and their priorities, also reflective of national development priorities are outlined in this DWCP.

This **Decent Work Country Programme (2010 – 2015)** responds to priorities developed in close consultation with the constituents and will be operationalised through *Biennial Implementation Plans*.

The DWCP is guided by a **Decent Work Task Force (DWTF⁸)**, chaired by the Secretary of Human Resource Development (MoHRD) with provincial Secretaries of Labour from Punjab, Sindh, Balochistan and KPK, the Employers' Federation of Pakistan (EFP) and the Pakistan Workers' Federation (PWF).

Responsibility for managing the achievement of results lies with the Country Director, supported by a team of programme and project managers in the ILO Office in Pakistan, and in close consultation and collaboration with the Decent Work Task Force. A robust DWCP Results Framework, with Biennial Implementation Plans, monitoring and evaluation plans and a reporting framework, are being developed in close collaboration with the tripartite constituents.

Technical backstopping will be provided primarily by *Decent Work Teams (DWT)* in New Delhi and Bangkok and technical units at the ILO headquarters in Geneva, and drawing from other ILO country experiences and expertise as required. International and national technical expertise will also be sourced as required. The ILO's extensive knowledge base will be drawn upon to enhance and supplement international and national expertise. Technical capacities of ILO Islamabad staff and national experts will be enhanced to address the challenges of using international experts for short and longer term assignments due to the volatile security situation.

IV. PERFORMANCE MONITORING AND EVALUATION ARRANGEMENTS

The Biennial Implementation Plans and Monitoring, Evaluation and Reporting Plans will be updated regularly, and ILO monitoring and evaluation officers will provide guidance and support in developing and monitoring the plans.

Annual Progress reports will be prepared and disseminated as appropriate, with biennial country programme reviews to be carried out with the constituents.

In addition to the periodic assessments a mid-term review of the DWCP will be carried out by ROAP in collaboration with ILO monitoring and evaluation officers to observe and validate the progress of the DWCP and to provide necessary feedback on implementation and delivery arrangements. A final evaluation will also be conducted in the last year of the programme to examine the overall progress towards the achievement of the desired Outcomes and record good practices and lessons learned, and to be taken into account in the formulation of the next biennial DWCP.

Special attention will be paid to the involvement of women and men, of different age groups and socio-economic circumstances in the monitoring, evaluation and reporting on ILO supported initiatives. Constituents will also be actively encouraged to ensure the involvement of these key stakeholders.

⁸ The DWTF was constituted in 2006 to monitor progress and provide guidance. Members of the DWTF comprise Federal Secretary HRD, Provincial Secretaries of Labour of Punjab, Sindh, Balochistan and KPK, the President of EFP and the General Secretary PWF and other key stakeholders (2006 Notification by MoLM)