



GENDER MAINSTREAMING RESEARCH PAPER – 2

Home-Based Women Workers and Social Protection in Pakistan

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1. Introduction

This paper addresses the two-fold vulnerability of the informal sector home-based women workers (HBWWs) as workers and as women. The paper provides a way forward to bring the HBWWs under a social protection framework, such as BISP/Ehsaas Programme.

Women's paid and unpaid work has been highlighted since the late

1960s. Earlier, the women's contribution to the GDP and their exclusion from development planning were not counted. From focusing on women's labour force participation rates to their empowerment, several approaches to ensuring women's work counts, and is fairly remunerated, have emerged over the last six decades. Ranging from looking at women's role in development to



their empowerment in the context of increased poverty and inequality and to the current approach of transforming gender relations, the fact remains that there is still a long path ahead.

A number of international conventions have addressed the issues emerging from informal work arrangements, especially home-based work in which women form a majority of the workers. The ILO Convention 177 (1996) recognises home-based workers' rights as industrial workers and provides policy guidelines to countries for fair treatment of this group of workers by upholding their right to organise, to receive minimum wage, and to ensure occupational health and safety standards. The Kathmandu Declaration (2000) signed by all the South Asian countries under the South Asian Association for Regional Cooperation (SAARC) pledged the need to introduce policies for home-based workers to ensure implementation on C-177, such as minimum remuneration

and called for statutory social protection, childcare, maternity benefits, and skill development opportunities. Pakistan subsequently moved ahead and introduced legislation and policies at the national and provincial levels. To translate various conventions into action, Sustainable Development Goal 8 encompasses "promote sustained, inclusive, and sustainable economic growth ensuring full and productive employment and decent work for all". Similarly, Goal 5 on gender equality makes women's vulnerability a priority. The world has reported that the COVID-19 pandemic has reversed the progress of the SDGs.

The head of UN Women, Phumzile Mlambo-Ngcuka, stated in March 2021 that the COVID-19 Pandemic has been the "most discriminatory crisis" for women as 47 million more women were pushed into earning less than \$1.90 per day.¹ There were disproportionate job losses for women; according to the ILO, compared to 4.2 % jobs being eliminated

for women, 3% were eliminated for men. Furthermore, many women were forced to work fewer hours compared to men. They also undertook greater unpaid care work within the family as the world economy contracted.²

While absolute poverty rose during the pandemic, social protection programmes were enhanced by 270% globally between December 2020 and May 2021.³ Many countries cannot continue to provide the same budgetary allocations for social protection and social policies, e.g., South Africa has cut its social protection budget. In South Asia, the economic outlook of Sri Lanka and Pakistan is under tremendous pressure leading to political instability.

How can developing countries with pre-existing high levels of poverty address the economic vulnerability of their population? South Asia as a region presents a daunting picture of the impacts of COVID-19 on workers, especially women workers.

1. Edith M Lederer, UN Women: COVID-19 is 'most discriminatory crisis' for women | AP News accessed February 26, 2022
 2. World Economic Forum, How did the COVID-19 pandemic impact women's employment? | World Economic Forum (weforum.org), accessed March 2, 2022; ILO 2019d, 2020i) and, ILO, page 30, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/--publ/documents/publication/wcms_817572.pdf ; accessed July 29, 2022
 3. Spending on social protection rose nearly 270% with pandemic | UN News accessed March 2, 2022

Poverty in Pakistan is estimated to have increased to 39.3% and is expected to remain in this range. Pakistan's COVID-19 response was rated highly appropriate, but with over 80 million people living in poverty, disbursing one-time cash grants of \$75 per family to 15 million families as support for three months was highly inadequate. Furthermore, the subsidies extended to industry far outstripped the cash grants to the poor. With the intensity of the COVID-19 pandemic now easing, it is time to assess how to provide social protection for the most vulnerable sections of the population, not as a charity-based initiative but as a constitutionally guaranteed right.

This paper is divided into five sections: the second section looks at the South Asian and developing countries' experience, especially the provision of social protection to informal sector women workers; the third section provides background information on HBWWs in Pakistan i.e., data, legal and policy status, and the challenges of implementing minimum wage and ensuring safety; the fourth section looks at the Pakistan experience with social protection and the need to extend social protection to HBWWs. The final section constitutes recommendations.

2. International/South Asian Experience (Literature Review)

Beneria and Floros, writing in 2004, identified several trends as developing countries underwent economic restructuring, rapid market integration and increased vulnerability among the poor. An important aspect they pointed out was: "...increased informality and the deterioration of working conditions in developing countries during the past two decades have taken place in a climate that has emphasised citizenship, political rights, individual agency, and democracy. Hence the contradictions and social tensions between these discourses emphasise empowerment and equality vis-a-vis the realities of precariousness, poverty, and powerlessness associated with informality. Globalisation has intensified these tensions by enlarging their scope and sphere of reference, and contributing to the factors that generate informality."⁴

The regressive tendencies resulted in the popularity of social protection policies. These policies were seen as anti-poverty initiatives for addressing the poorest of the poor. The ILO has summarised four major ways governments extend social insurance and social pensions by connecting these with employment. These are invariably related to standard employment and contracts (with a single or multiple/changing employers) as well as part time work.⁵ Furthermore, the ILO report (2018) states that countries have extended social protection legislation as well as financing to different groups of workers ranging from part-time workers to temporary workers as well as self-employed workers; it goes on to describe the mea-



asures that can be taken to address social protection in a number of ways.

"Measures to ensure more comprehensive coverage can include lowering thresholds on minimum hours, earnings or other criteria; addressing volatile incomes and limited contributory capacity; adjusting administrative procedures for registration, contribution collection and payment; enhancing portability of entitlements and adapting schemes to workers with multiple employers. Again, there is no "one size fits all" approach. Rather successful practices around the world have adopted different approaches and mechanisms, taking into account the diversity of employment relationships, and complementing

4. Lourdes Beneria and Maria S. Floro, "Labor Market Informalization and Social Policy. Distributional Links and the Case of Homebased Workers" Vassar College Economic Working Paper#60, 2004.

5. For details see subsection 2.2 on decoupling social protection from employment in the ILO Research Report entitled, "Innovative approaches for ensuring universal social protection for the future of work," 2018. Available at: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_629864.pdf

contributory with non-contributory mechanisms, to build comprehensive social protection systems and guarantee a solid social protection floor.”

The best arrangement for ensuring universal social protection in Pakistan is a combination of several programmes and initiatives aimed at poverty reduction, e.g., educational stipends for children, medical coverage especially for the elderly, food subsidies for the poor, stipends for women-headed households etc. alongside contributory government programmes for social security, and employees old age benefits as well as pension schemes. Most non-contributory initiatives have been rationalised under the BISP/Ehsaas Programme. However, bringing together non-contributory and employment-focused contributory programmes remains a challenge but presents a critical way forward for home-based workers. There is more stuff on this in the section that addresses Pakistan-specific issues.

Different countries have introduced social protection initiatives for workers through a combination of legislative and administrative changes, relying upon different mechanisms to create a fiscal space for such initiatives. For example, Brazil, Cabo Verde, China, India, and Thailand, have extended coverage to previously unprotected groups of their populations through a combination of contributory and non-contributory schemes. In contrast, non-contributory social protection programmes, such as universal social pension schemes in Bolivia, Mauritius, Namibia, Nepal, and Timor-Leste have ensured that women have access to some social protection. However, benefit levels are often low and do not cover all social risks. Non-contributory benefits secure only a basic (and in some cases very modest) level of protection; it is essential to strengthen social insurance mechanisms to ensure adequate levels of protection (ILO, 2017a, 2016c). To achieve adequate levels of social protection for women, both non-contributory and contributory mechanisms need to be strengthened in a gender-sensitive way.⁶

While states continue to be the main actors for ensuring protection from exploitation and unfair remuneration, international, regional, and national level organisations also play a key role in advocating for the rights of HBWWs. Women in Informal Employment: The Globalizing and Organizing (WIEGO), HomeNet International with regional, subregional, and national branches in South Asia, the PATAMABA in the Philippines, and the Self-Employed Women’s Association (SEWA) in India with more than 14 million members across 16 states in India are some of the



organisations that have made HBWWs visible and impacted state policies. They have primarily worked on, 1) organising HBWWs to advocate for themselves through their own associations or membership-based organisations; 2) conducting research and generating data on HBWWs; 3) provide capacity building trainings and skill development opportunities to HBWWs; 4) extending economic support and financial services to HBWWs such as access microfinance or saving schemes, etc. For more details on individual organisations, please see Annex 1. In 2021 SEWA co-piloted a project with UN Women (India) entitled, ‘Addressing COVID-19 Emergency – Protecting Women and Girls from Gender-based Violence and Providing Agency for Empowerment.’ The project focused on the livelihoods of women micro-entrepreneurs through conditional and unconditional cash transfers. These transfers aimed to help tide them over the business losses incurred during the first year of the COVID-19 pandemic. Although it is too soon to know about the impact of this intervention, SEWA has initiated small social protection initiatives in different states of India. The findings of a 2012 cash transfer project in Delhi with a focus on food security indicate that cash transfers were appreciated and preferred rather than subsidised food from the market on the basis of ration cards; however, given that 25% of the poor in 2012 did not have bank accounts, some preferred the card system over cash transfers.⁷ In a different study entitled “Evidence Review of COVID-19 and Women’s Informal Employment” (2021)⁸, SEWA recommends a range of social protection measures, including cash grants and food relief, as well as expanding the social security system to include informal sector women workers and provide them with health insurance, pensions and old age homes. The organisation emphasises that the govern-

6. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_629864.pdf

7. <https://drive.google.com/file/d/1j29oHdu9gQVDennCvg9MiiURM-NqqIXG/view>, accessed August 25, 2022

8. <https://drive.google.com/file/d/1QddVEv4Kdv15rv8UH6H8sAXKwTLFaW1b/view>, accessed August 25 2022

ment must recognise trade unions, women's cooperatives and women's collectives and provide them with moral and material support during times of crisis. It also recommends childcare support and the provision of low-interest loans and other actions to ease women's need for capital to run their micro-enterprises. Finally, it asks governments to hold global brands accountable for all their wage workers in their supply chains. Pakistan's own experience with social protection and home-based workers has also begun to follow some of the recommendations that SEWA has provided in its 2021 report (discussed above). Below is a detailed discussion of Pakistan's experience, challenges, and solutions.



3. Pakistan Background

This section provides a brief overview of the legal status of HBWWs in Pakistan as well as the presence and absence of provincial policies on HBWWs. It provides a detailed account of the debates and challenges around the statistical profile of HBWWs and discusses the impediments to enforcement of minimum wage.

3.1 Legal status of and policies for home-based workers in Pakistan

Pakistan has not ratified the ILO's Convention 177 on HBWs, and it has been slow to pass domestic legislation for HBWs although it is a signatory to the Kathmandu Declaration (2000). Except for Punjab, all other provincial assemblies have passed the HBW legislation. The Principles of Policy Article 38(c) of the Constitution of Pakistan calls upon the State to "provide for all persons employed in the service of Pakistan or otherwise, social security by compulsory social insurance or other means". The Constitution thus recognises social security as a right of every citizen and not charity, based on social safety nets or individual kindness and discretion.

Since abolishing the Concurrent List in 2011 (the concurrent list had earlier empowered the federal government to legislate on some selected subjects listed under provincial purview), the labour and women's development were devolved to the provinces amongst other subjects. This meant that each province would have to legislate on the devolved subjects. In line with the 18th Amendment

in the Constitution, the federal government's right to legislate on labour rights issues for the entire country was withdrawn and devolved to the provinces to empower them on the subject. This meant that instead of one piece of legislation passed by the federal government, each province was responsible for its own laws.

Sindh was the first province to approve its Home-based Workers Act in May 2018. Sindh also introduced its' HBW policy and signed an MoU with a home-based worker representative organisation for registering HBWs in November 2020. Sindh has also introduced the Benazir Mazdoor Smart Card after signing an MoU with NADRA in May 2022. According to the Minister for Labour, Sindh has registered 625,000 labourers and issued smart cards to 37,000 labourers.⁹ He also demanded the devolution of EOBI and social security institutions from the Center—a move not supported by the CSOs as labourers find work across the country and therefore their rights will be in danger of being curtailed due to provincial jurisdiction.

In Punjab, the HBW legislation and policy were formulated in 2015; the policy was, however, approved in 2017 while the legislation continued to be on the anvil. More recently, the Home-Based Workers Act 2021 was introduced in the Punjab Assembly but was not passed.¹⁰ There has been an uncertainty about promulgation of this bill since change of governments both in Punjab and at the federal level in April 2022, and subsequently the dissolution of the Punjab Assembly in January 2023. The Punjab has been the first province to conduct a 17-

9. <https://www.brecorder.com/news/40174124>

10. (<https://pnd.punjab.gov.pk/system/files/Labour%29%20PC-II%20PUNJAB%20DOMESTIC%20AND%20HOME%20BASED%20WORKERS.pdf>).



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month-long comprehensive survey on HBWs and domestic workers.

The Khyber Pakhtunkhwa (KP) assembly approved the home-based workers' bill in August 2021, and the Balochistan assembly did so in April 2022. However, no province has so far enunciated a home-based workers' policy.

3.2 Home-based women workers: Data and profile¹¹

This section underscores a need for definitive numbers for HBWWs as the existing reports provide vastly different numbers.

Three decades ago, there have been a limited number of studies on the informal sector in Pakistan and that too with no reliable data about HBWs. The Labour Force Survey (LFS) could not capture women's participation for several reasons, e.g., the conceptual and methodological basis for the survey overlooked women's contribution¹²

until the work of feminist researchers highlighting the contribution of women to the economy was introduced into policy circles in Pakistan by researcher-activists such as Nigar Ahmed, Khawar Mumtaz, and Nighat Said Khan. Additionally, the private (home) public divide ensured that HBW is perceived as an extension of gendered work within the home. The challenges of underreporting from the field continued because male surveyors had little access to women within the home and, male family members were reluctant to acknowledge women's contribution through paid home-based work due to traditional gender roles whereby men are bread-earners and women are housewives. Women form a majority of HBWs because they incorporate household chores and paid work into their routine; they involve children and other family members to complete their work on time; men encourage it as HBW hides women from public view hence they maintain the fiction of culturally sanctioned respectability while women escape harassment they often face when they use public transport.

To push for any policy or legislation for HBWs, policy and lawmakers had to be convinced about the magnitude of the issue. In 1997, a report by Aurat Foundation (based on the belief that the informal sector engages two-thirds of the labour force) asserted that of the total women in

11. This subsection and section 3.4 rely heavily on the author's recent contribution to a book on Women and Work in South Asia edited by Amena Mohsin, 2022.

12. Isran, Samina and Manzoor Ali Isran, "Low Female Labour Participation in Pakistan: Causes and Consequences" in Pakistan Journal of Social Sciences (PJSS) Vol. 32, No. 2 (2012), pp. 453-468, https://www.bzu.edu.pk/PJSS/Vol32No22012/Final_PJSS-32-2-14.pdf

the labour force in Pakistan, 68.5% women were working in the informal sector and 31.5% in the formal sector.¹³ The 2010-11 Labour Force Survey estimated that women comprise 57.4% of the informal labour force in the manufacturing sector alone. Based on this, it was extrapolated that the number of home-based workers was 8.5 million.¹⁴

According to Pakistan's Labour Force Survey 2017-18, the share of informal employment is 71.9 percent. However, official data does not include the category 'home-based' though it includes 'Own Account Workers' and 'contributing Family Worker' (Pakistan 2018). A significant proportion of the informal women workforce comprises home-based workers. Home-based workers include both own-account and piece-rate/sub-contracted workers, but the percentage of own account workers among women is low as the majority of women work on piece-rate and thus are not counted. Specifically, HBWs include own account (13.4%), piece-rate/sub-contracted workers (24.6%), and unpaid family workers (61.9%). Unpaid family workers typically live in rural areas, are employed on family-owned farms, or work as sharecroppers. These workers have limited access to education and health services, safety provisions, and social protection.¹⁵

A UN Women report (2020) on women's economic participation, estimates 20 million home-based workers in Pakistan, of whom 12 million are women. These figures have also been included in ILO reports. The report explains that 30% women and 3% men in the Labour Force Survey are home-based workers based upon their response to the place work as their home or a friend's or neighbour's home. The report states that women contribute 65% of the 400 billion contributed by home-based workers.¹⁶

Studies conducted in the early 1980s, notably by Farida Shaheed and Khawar Mumtaz at Shirkat Gah, indicated that younger women, a majority between 16-20 years of age, worked from home; the primary purpose of their work was to amass dowry. Once they were married and resumed work after a few years, their income contributed to household expenditures such as food expenses, schooling or paying for medicines.¹⁷ Another survey conducted in Karachi¹⁸ found that piece rate workers con-



tributed between 34-58% to household income. In a majority of cases, the husbands were also involved in informal sector work, whereas between 11-16% of women were widows or divorcees, and therefore, they were the household heads. While producing for the market, the expectation that women would continue to take care of their domestic responsibilities continued to be central. Men stated, "Well, we did not ask [the women] to work. If she wants to work, it is her responsibility to make sure she can handle her housework first, which is her first duty as mother and wife."¹⁹ An earlier survey conducted by PILER found a higher incidence of objection to paid work. However, men had to reassess their attitude towards paid work as subsidies began to be lifted in the late 1980s, and impacts began to be felt by the early 1990s.

With new economic pressures, homebased work became handy as it prevented women from working in the public sphere and therefore, hidden from public view. Anita Weiss (1992), writing about women in the walled city of Lahore, found the purdah system as being central to homebased work. Women in this working-class slum in the 1980s faced many mobility restrictions. Weiss discusses the interplay between cultural and religious mores as responsible for the restrictions on women's mobility generally and young women's mobility in particular. Women were highly reluctant to have others know that their family was being fed because of her labour, which was often viewed as a disgrace for their husband, hence

13. Ahmad, Nigar, Sajid Qaisrani and Misbah Tahir, *Social Protection for Women Workers in the Informal HomeBased Sector in the Leather and Textile Industries*, Aurat Publication and Information Service Foundation, 1997, pages 2-6

14. Government of Pakistan, Finance Division, *Pakistan Labour Force Survey 2010-2011*

15. Hina Sheikh, 16 August 2016: <https://blogs.adb.org/blog/how-protect-pakistans-home-based-workers> accessed 22 Dec 2020)

16. UN Women, *Status Report on Women's Economic Participation and Empowerment in Pakistan* <https://asiapacific.unwomen.org/en/digital-library/publications/2016/05/status-report-on-womens-economic-participation-and-empowerment> Accessed December 17, 2020

17. Farida Shaheed and Khawar Mumtaz, *Invisible Workers: Piecework Labour Amongst Women in Lahore* (Islamabad: Government of Pakistan: Women's Division) 1983?

18. Quoted in Prugl, page 122. Also see, Kazi, Shahnaz and Bilquees Raza, "Women in the informal sector: Home-based workers in Karachi," in *Pakistan Development Review*, 28:4 (Winter 1989) pp 777-788

19. Quoted in Prugl, Elisabeth: 'Home-based Workers: A comparative Exploration of Mies's Theory of Housewifization' in *Frontiers: A Journal of Women Studies* Col 17, No. 1 (1996) pp 114-135. Published by University of Nebraska Press. Accessed 24 December 2020, 1996.



home-based work enabled a woman to hide this. Weiss also highlights their practical economic needs which meant that women, including the 11% in her survey who were household heads, could not easily opt to go out into the public sphere and work in a factory.²⁰ The limited availability of transport for women, the time consumed to reach a factory, and the harassment they faced while using such transport also made women prefer to work from home. The gendered division of labour, deeply entrenched within society, thus helped promote home-based work for women. This would not have been problematic if the terms of work and remuneration women receive were fair.

This picture is further complicated by the COVID-19 Pandemic, which has exacerbated the hardships HBWWs face due to the frequent lockdowns imposed by the government. Current studies, though limited in scope and reach, indicate that lockdowns have triggered increased food insecurity, domestic violence, care work, and anxiety for HBWWs. Earnings during and post lockdowns dropped drastically due to supply chain disruptions while HBWWs' access to government assistance was lim-

ited to less than 50 percent.²¹

There are no definitive numbers on home-based workers as the government's LFS data presents challenges of definition and categorisation. Different formulas for calculation throw widely differing numbers from researchers, civil society groups, UN agencies and other donors. However, most reports repeatedly state that informal estimates indicate that there are 20 million HBWs in Pakistan, of whom, 12 million are women.²² Initiating surveys in the current pandemic has been doubly hard. Therefore, the need for realistic numbers will have to wait till 'normalcy' returns.

3.3 Remuneration and enforcement of minimum wage

Throughout the 1980s and 1990s, researchers and activists, e.g., at Shirkat Gah, Aurat Foundation and PILER, highlighted that a large number of women were joining informal sector without receiving a fair wage. Pakistan's weak economy was forced to rely upon IMF loans that re-

20. Weiss, Anita M. *Walls within Walls: Life histories of working women in the old city of Lahore*, Boulder: Westview Press, 1992

21. Nazvi, Hassan, "Impact of Covid 19 on Homebased Workers" in *The News on Sunday*, May 2, 2021. <https://www.thenews.com.pk/tns/detail/828942-impact-of-covid-19-on-home-based-workers> Accessed June 10, 2021

22. Pervez Rahim, "Home Based Workers" in *The News* Dec 5, 2020. <https://www.thenews.com.pk/print/753706-home-based-workers> Accessed Dec 31, 2020

quired 'structural adjustment', which meant withdrawal of subsidies, and a subsequent push into subcontracting for multiple reasons. Firms wanted to reduce the economic costs of production to be competitive globally; this took place through subcontracting because the informal sector lacked the legal protection accorded to organised labour. Thus, producers were not bound to give minimum wage or social security; furthermore, they reduced their costs by relocating the site of production from a factory to a home, thus successfully avoiding payments such as rent for premises, or utilities or intensive monitoring for quality control. As women's labour was relatively cheap, and their organisational and bargaining abilities were non-existent, the trend towards subcontracting work to women increased. Women had little access to the outside world as the cultural tropes of purdah and the possibilities of harassment while using public transport were real. Subcontracted work also gave them the flexibility to work according to their own convenience while other household members such as children or older women helped them with the work.

The bleak situation of home-based workers was noted by different government reports. For example, the government's Task Force on Labour in 1994 recommended the constitution of a special committee to identify the problems women workers face and to recommend "certain minimum standards to protect women workers and prevent their exploitation."²³ The Pakistan National Report for the Fourth World Conference on Women in Beijing (1995) pointed out that the HBWWs who form the majority of women in the informal sector receive less than one third the average monthly income of factory workers. The Report of the Commission of Inquiry on Women (1997) also emphasised the need to bring women in the informal sector under the ambit of the relevant law and to ensure that women's contribution to the economy does not go unmeasured and unrecorded. Furthermore, women's membership of any union was almost non-existent and their active participation in union activities was discouraged by social norms as well as internal dynamics of unions.

Despite broad recommendations for fair remuneration and representation contained in government reports in the 1990s, the ground situation did not change till 2017. A survey conducted in 1999/2000 for research in three sectors across three cities i.e., garments, carpets, and plastics in Karachi, Lahore and Peshawar, showed that the av-



erage income of workers was PKR 1215 (\$22.5, according to the then exchange rate) and in the garments sector, it was PKR 1323 (\$24.5), which was much below the minimum average wage of PKR 2000 that had been fixed in 1992. On average, workers spent 10-12 hours per day and their average working week came to 6.36 days a week.²⁴ Most women did not think they could improve their position vis-a-vis the 'saith' or the middleman who brought them work. However, 12 percent expressed an interest in meeting any women's group that could guide them. A majority of the women in the survey suggested that there should be a gathering place where they could safely discuss their problems and solutions.²⁵ The survey also indicated that they had entered the workforce due to worsening economic conditions which made their economic contribution to the family crucial for survival.

Home-based sub-contracted women workers are the most exploited in the production chain. Another study, conducted in 2004/05, found that women received 0.6 per cent of retail revenue per unit for incense stick making and 18.2 per cent for carpet weaving.²⁶ Competitive advantage drove manufacturers to further cut labour costs while local powerful stakeholders - manufacturers, industrialists, and state bodies - deliberately sidelined national laws and international standards. Weak labour regulation and poor implementation of labour standards by multi-national corporations (MNCs) are the norm. A PILER study (2006) of the Karachi garment factories supplying to the US and the European brands (e.g., Walmart, C&A, Disney, Karstadt Quelle, la Blanche Porte) revealed non-compliance of labour standards despite the existence of the codes of conduct of respective brands and

23. Report of the Task Force on Labor, Ministry of Labour, Manpower and Overseas Pakistanis, GoP, October 1994, pp 14-15

24. Sayeed, Asad and Saba Gul Khattak, Women's work and empowerment issues in an era of economic liberalization: A case study of Pakistan's urban manufacturing sector, PILER: Karachi 2001, page 47

25. *ibid*, page 85

26. Khan, Shahrugh Rafi, Saba Gul Khattak and Sajid Kazmi, Hazardous Home-based, Sub-Contracted Work: A Study of Multiple Tiered Exploitation, 2005, OUP Karachi

the SA8000 accreditation of each factory.²⁷

According to an ILO report (2011) on Pakistan, “Women counted as employed include employees, self-employed, unpaid family workers and those generally engaged in low skilled, and 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 economy, and is not covered under legal protection and labour welfare institutional mechanisms. In the urban informal sector,, 67.5 per cent of women work as home-based or casual workers on low wages, or as domestic workers with extremely low remuneration. Women generally appear to be mostly unaware of labour laws and do not have a collective voice; therefore, they cannot exercise their rights.”²⁸

A 2014 study focusing on HBWs confirms that 86% expressed their inability to bargain. They also indicated their lack of control over determining the prices of their products, which were decided by intermediaries or contractors and factory owners. In contrast, the workers who marketed their own products, especially in the garment sector, had somewhat greater control over pricing compared to those who worked entirely through intermediaries and contractors.²⁹

A more recent survey conducted by the ILO in 2017 indicated that, “on an average, the home-based workers surveyed (and their helpers) work 12.3 hours per day, six days a week and derive a monthly income of PKR 4,342 for their labour (equivalent to \$41.42).”³⁰ The report explains that remuneration is low because HBWs cannot bargain with the contractor; e.g., 95% of those who attempted to re-negotiate improved rates failed because they relied only upon a single contractor or intermediary. Additionally, HBWs’ lack of knowledge about minimum wage also places them at a disadvantage. This results in their dependency on their intermediaries; therefore, they cannot refuse work.³¹

The report explains:

“Most workers who attempted to negotiate did so on their own, while 6 per cent tried to do so in groups or as a part of a cooperative. Half of the workers who worked for contractors had attempted to negotiate better rates, but only 8 per cent had been successful. Of those workers who were subcontracted from an informal enterprise, 10 per cent had successfully negotiated a wage increase. Among those who were subcontracted from a middleman, the success rate was approximately 5 per cent. Around 35 per cent of the workers who had attempted to negotiate a wage increase suffered some form of retaliatory action: 17 per cent of workers were threatened with a loss of job; 2 per cent experienced a decrease in work volume; and another 1 per cent had wages decreased.”³²

Multiple reports point out inflation as a source of hardship for HBWs. Inflation results in increased transportation, materials, and utility costs. HBWs reported compromises on their children’s education and/or their health. The former included taking children out of school or shifting them from low fee private schools into government schools or making hard choices such as repairing their home versus paying college fee. Many could not afford the rising costs of health services. One HBW said, ‘Doctors are so expensive. I eat Panadol or Disprin and then go back to work.’³³ Some reported cutting transport costs by walking long distances to procure and deliver materials. Others reported cutting on kitchen expenses and yet others reported indebtedness.

Furthermore, changing seasons and weather conditions also affect HBWs work and earnings. E.g., during the monsoon season when rains and humidity prevail, incense stick making and plastic work becomes difficult if not impossible as the incense sticks do not dry. Similarly, during rains, leaking roofs or collapsed roofs add to HBWs vulnerability.

27. PILER/CleanCloth Campaign Looking for a Quick Fix: How weak social auditing is keeping workers in sweatshops, 2006 (Study was conducted in 8 developing countries, including Pakistan).

28. ILO, “Situation Analysis of the Residential Facilities Available for Pakistani Working Women at/Near their Workplaces” page iii-iv, 2011, https://www.ilo.org/wcmsp5/groups/public/-/asia/---ro-bangkok/---ilo-islamabad/documents/publication/wcms_185227.pdf accessed Nov 12, 2020

29. Naqeeb, Bilal, Rubina Saigol and Ume-Laila Azhar, *Informal Economy Monitoring Study: Home Based Workers in Lahore, Pakistan*. Manchester, UK: WEIGO, 2014. Page

30. ILO, M. Zhou, *Pakistan's Hidden Workers: Wages and conditions of home-based workers and the informal economy*, 2017 page x (10)

31. ILO/M. Shou, *Pakistan's Hidden Workers: Wages and conditions of home based workers and the informal economy*, 2017, page xi and 34

32. ILO, M. Zhou *Pakistan's Hidden Workers: Wages and conditions of home based workers and the informal economy*, 2017, Page 34.

33. Naqeeb, Bilal, Rubina Saigol and Ume-Laila Azhar, *Informal Economy Monitoring Study: Home Based Workers in Lahore, Pakistan*. Manchester, UK: WEIGO, 2014. Page 24

4. Social Protection

Social protection consists of programmes in social assistance and social insurance. The term is often used interchangeably with social security and social safety nets though these are a subset of social protection. The main conceptual difference between social protection, social security, and social safety nets is that the former two are rights-based and the latter is philosophically based on instrumentalist reasoning accompanied by market liberalisation. There are also critical differences among the three concepts: social protection pertains to investments in human capital that are both a practical and strategic response for overcoming intergenerational poverty and vulnerability. Social security, promoted by the International Labour Organization (ILO) in the 1970s, aimed to protect formal-sector workers through unemployment insurance, retirement income, disability income, access to health care, education, and other payments to their dependents. As the informal sector dominates the economic structure of developing countries, large segments of workers remain unprotected in terms of social security systems. Social safety nets, promoted by the World Bank in the 1990s, primarily consist of non-contributory, need-based, cash-transfer programmes aimed at the poor to enable them “to manage risk.” Safety nets also include microcredit, school stipends, and food and nutrition programmes. The logic is that instead of generalised subsidies, the poor would be identified and protected through targeted safety nets—the only problem was that too many slipped through the nets. As “band-aid” social safety net style measures failed to address or even dent poverty in any way, the arguments in favour of social protection policies to ensure a minimum level of decent employment, education, and health as rights coalesced. Globally, the ILO has pushed the concept of a minimum social protection floor that translates into integrated strategies for providing access to essential social services and income security for all.

4.1 Social protection institutions in Pakistan

In Pakistan, employees’ social security schemes were introduced in late 1960s, which were later converted into provincial schemes and are functioning in all the four provinces. The Workers Welfare Fund (WWF) and Employees Old Age Benefits Institution (EOBI) also came into being at the federal level. These institutions were mandated to extend social security benefits, including medical, pension, old age benefits, schooling, housing and various grants to insured/registered workers. However, the scope and reach of these schemes is ex-



tremely inadequate as they cover a fraction of the overall labour force and do not address the issues of HBWs. For example, in Sindh, out of a total labour force of 14 million workers, approximately 650,000 workers are registered with the Sindh Employees Social Security Institution (SESSI). Similarly, the EOBI has lists 3 million workers against 65 million labour force in the country. This reflects that a wide majority of workers are excluded from these schemes and are deprived of their legitimate right of social protection. This is even though the Article 38 of Pakistan’s Constitution well recognises social security as a right of citizens; this Article is part of the Principles of Policy and not part of Fundamental Rights.

Over the last three decades the government has been pushed to realise the importance of social protection; and therefore, it has made efforts to establish task forces, commissions, and institutions to address the urgency of extending coverage to labour and vulnerable sections of society. Below is a summary of the main initiatives undertaken:

Taskforces and Commissions set up by the government:

- Commission on Social Security 1993
- Task Force on Social Security 1994
- Task Force on Pensions 1996
- Task Force on Labour Levies 2000
- Social Protection Strategy Framework 2007
- Social Protection Framework 2012

Institutions set up by the Govt:

- Workers Welfare Fund 1971
- Employees Old Age Benefits Institution 1976
- Zakat and Ushr Departments 1980
- Pakistan Bait ul Maal 1993
- Social Welfare Ministry and Depts 1994 and subsequent devolution in 2011
- Pakistan Poverty Alleviation Fund 1999



- BISP 2008
- BISP/Ehsaas 2019

The initiatives and institutions set up by the government indicate a shift in approach from a focus on social security (priorities in 1960s and 1970s) to a social safety net approach introduced by the World Bank after Pakistan signed up for the structural adjustment loans in 1989. This meant a tilt towards anti-poverty approaches accompanied by non-contributory cash stipends rather than a push towards a combination of contributory and non-contributory stipends to establish an inclusive social protection floor.

4.2 HBWs, COVID-19, and social protection

The COVID-19 lockdowns and market closures exposed the vulnerability of all informal sector workers, especially garment and textile workers because international value chains collapsed. Many brands cancelled orders and refused to pay for the completed work. With virtually no work and no savings and the absence of any database with the government to provide support to HBWWs, many families relied upon loans to get through the difficult time. It may be noted that during this time even large workers organisations such as SEWA in India, HomeNet South Asia and PATAMBA in the Philippines

could not initiate any measures beyond advocacy with governments to address the vulnerability of informal sector workers.

“The coronavirus pandemic, which began in early 2020, disrupted lives, affected global wellbeing in profound ways, and hurt the economy at a massive scale, causing widespread mortality, suffering, unemployment, and poverty. It is difficult to quantify health and economic costs of this crisis but for Pakistan’s home-based workers who typically belong to the lowest income groups and often have no access to social protection, this crisis has been especially devastating.” (Ghazal Zulfiqar, Forthcoming, 2022)

Home Based Women Workers were the most vulnerable section of the labour force because of the nature of their work and the near absence of self-agency. Furthermore, their overcrowded homes in densely populated low-income areas during the COVID-19 pandemic became inaccessible and were considered danger zones for the workers themselves. The COVID-19 caused a decline in HBWWs’ income and their rights and interests were forgotten as the government focused more on the health crisis. However, there were some well-intentioned announcements and limited initiatives for women workers. In April 2020, soon after the COVID-19 epidemic in March 2020, the Ministry of Human Rights with support from the UN Women produced a policy brief outlining

the government's course of action for vulnerable girls and women in education, health, and work. The latter focused upon HBWs as the most vulnerable section of the labour force. The policy brief highlighted the need for providing regular support to home-based women workers who have no income security and lack access to safety nets and social protection.³⁴

The COVID-19 induced slowdown of the economy and subsequent loss of work affected women workers' food security and availability of work/livelihood. Sans social security and social protection, HBWs' visibility was hidden from the public sphere. For example, Pakistan's textile sector contributes over 60% to the country's exports and employs over 40% of the labour force in the manufacturing sector. Women constitute a majority of the workers in the sector. Given the export nature of the industry, a number of workers in the sector indirectly produce goods for international brands. When the COVID-19 pandemic hit, international brands cancelled their orders, and some did not even pay for the shipments that went out to them. Furthermore, when a strict lockdown in March-July 2020 was imposed, a majority of workers, not registered anywhere, lost their livelihoods. The main relief, provided by the Sindh government, was the enactment of a COVID-19 relief law barring employers to terminate or lay off workers and making it compulsory to pay them wages. However, given the lack of any provincial data on workers, it was impossible to devise any sys-

tem for accountability for checking a list of employed workers. The federal government admitted that it had no database of workers, not even formal sector workers. The Ehsaas Programme gave a one-time (inadequate) grant of PKR 12,000 to cover food expenses spread over the four months of lockdown. The Sindh government agreed to register HBWs in November 2020; however, given the administrative and fiscal challenges, the process has still not been completed. It has also registered 625,000 informal sector workers for the Benazir Mazdoor (worker) Smart Card but issued only 37,000 Mazdoor Cards by the end of May 2022.³⁵ This card promises health benefits to all workers in Sindh but eligibility issues (can workers from other provinces be eligible?) are a challenge as labour is a provincial subject.

According to a World Bank brief, "The pandemic has also led to a disproportionate increase in women's unpaid care work and their reported rates of stress, anxiety and exposure to violence. These findings suggest that impacts resulting from COVID-19 might lead to further decline in women's participation in the economy of Pakistan, wherein women's labour force participation is already among the world's lowest." Since the COVID-19 further put the workers' rights on the back burner, their efforts and struggle for recognition as workers became more important as the pandemic or its impacts have not yet ended.

5. Recommendations

This section presents a set of policy recommendations which if implemented, can shape the future for Home Based Women Workers. This can result in proper implementation of the provincial governments' (especially Sindh's) interventions such as registration of the HBWW and extension of social security and other labour welfare schemes to cover home-based women workers.

5.1 Legal recognition and mechanisms for implementation of rights

This section discusses legal recognition but focuses on implementation measures.

Enact Laws and Sign ILO Convention 177: Three out of four provinces (Punjab being the exception) have intro-

duced HBW legislation; and therefore, their rights have been recognised. Pakistan also needs to sign and ratify ILO Convention 177 on HBWs. HBWs should be entitled to social security, pensions, the right to unionise, old-age benefits, workplace safety, collective bargaining rights and all other benefits that registered labour unions receive under the existing labour laws.

Create a Registry of HBWs: It is equally important to have a registry of HBWs and other informal sector workers. For this, surveys must be held across all the provinces. Local governments can be tasked to register HBWs across country so HBWs and other informal workers can be included in social security schemes by devising separate mechanisms for them.

Analysis and Monitoring: More research and detailed anal-

34. Dawn, Ministry releases policy brief exploring gendered impact of Covid-19 in Pakistan, DAWN.COM April 13, 2020 accessed May 30, 2022

35. <https://www.brecorder.com/news/40174124>

ysis of the sectors wherein HBWs work, their remuneration across sectors, and the provinces are key aspects for ensuring HBWWs' rights and protection against exploitation.

Pakistan's BISP and Ehsaas programme databases must be modified so that information pertaining to HBWs can be incorporated into these databases to capture different categories of informal sector workers who are also poor. This will clarify on duplication and the level of support families may need.

Skills Training and Financing: Both the government and the private sector play an important role in the provision of low-interest loans to promote entrepreneurial activities and skills training. The Chambers of Commerce and Industry with their cascading presence across the provinces as well as cities can play a critical role alongside the Women's Chambers of Commerce and Industry. Similarly, HBWs can be registered with government skills centers at the district level.

5.2 Advocacy to highlight COVID-19 impacts and mitigation measures for HBWWs

Advocacy for HBWs can be conducted in two contexts: The first is to concentrate upon the overall impacts of the COVID-19 on major categories of HBWs i.e., own account workers and piece rate workers, and the second is to systematically highlight impacts according to type of work, e.g., garments, textiles, embroidery, food processing, jewellery making, incense stick making and so on. It is critical to evolve strategies that could ensure HBWs are protected from externalities such as the COVID-19 pandemic and vagaries of the market and are included in social protection measures initiated by the government. In addition, the employers' federations as well as relevant business associations, e.g., All Pakistan Textile Mills Association (APTMA), and Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) must advocate for recognition of homebased work and workers as employees.

Furthermore, there should be greater global and regional advocacy with international brands and businesses to make them realise their responsibilities in fulfilling their obligations towards the workforce in the supply chain, and contributing towards workers' social security from their CSR budgets. The Ministry of Commerce in Pakistan can undertake this advocacy with relevant brands.



Also, the COVID-19 pandemic is not the only pandemic affecting HBWWs who have little to no social protection, or employment and income guarantees. Just as the HBWWs bore the brunt of interruptions to global supply chains, such interruptions are likely to become frequent as climate change and other pandemics become a permanent contemporary reality.³⁶

Mitigation measures on the part of the government would also include supply side interventions such as enabling HBWs to access low interest credit, facilitating them for opening a bank account and registering women's collectives and unions, and informing HBWs about these measures so they can utilise them. Importantly, the government can support HBWs' rights by establishing/reviewing minimum wage and its enforcement, and instituting complaints redressal and dispute resolution mechanisms.

5.3 Campaign for universalisation of social security in Pakistan

Pakistan's informal sector workers are among the most invisible workers who were affected not only by Pakistan's macroeconomic policies but also because of COVID-19. Many workers lost incomes and faced multiple crises such as sickness/health issues, food insecurity and living in cramped proximity in low-income areas. Many took loans to survive. The federal and provincial governments' relief schemes did not reach vulnerable workers due to a lack of data on informal sector workers. Although Sindh enacted legislation that barred employers from terminating employees and provided employers subsidies to ensure employees were not terminated, there was no mechanism for monitoring and enforcing this decision. A similar impediment was cited by the Ehsaas Kafalat Emergency Programme to explain its inability to extend

36. Ghazal Zulfiqar, Forthcoming 2022

support to HBWs.

It is imperative to initiate registration of eligible workers within the existing social security schemes by linking the registered HBWs to social security institutions so that they can avail existing social security schemes. To reach policy circles, an advocacy campaign for “Universalisation of Social Security” is a must. Admittedly, the current social security schemes are inadequate and cannot provide effective coverage to HBWs. Therefore, establishing an “Unemployment Fund” to support workers without employment and facing income losses should be considered. It is equally important to devise innovative methods for creating the fiscal space for the current schemes to meet the demand and requirement of the universalisation of social security through combining contributory and non-contributory schemes.

To a large extent the Ehsaas Programme managed to amalgamate various small social protection schemes and initiatives under one roof; it can now devise ways of instituting inclusive labour rights initiatives focused on universalisation of social security. The federal and provincial governments can explore if Ehsaas Programme can work with social security institutions in the provinces and create a social registry of HBWs. It would be important to ensure that the snags the Sindh government has encountered for issuing the Mazdoor Card be addressed before initiating a new programme.

5.4 Creating fiscal space

A detailed analysis of the current economic challenges, their impact on HBWs, and mitigation through creation of fiscal space is a must. The ILO and UN Women provide several proposals and handbooks in this regard. The main takeaways for developing countries (pre-COVID-19) are the need for social insurance, and direct taxation while addressing the negative impacts of trade liberalisation on taxation.

The three tiers of government can contribute towards social security from their non-tax revenues. Furthermore, every time austerity measures are introduced, the government must allocate and place a percentage of the ‘savings into social security. HBWs can provide token contributions towards their social security once they are registered even though they earn far below minimum wage. A candid and detailed exercise to identify areas where expenditures can be reallocated towards social protection must be undertaken.

Social security, based on contributory payments, would be highly inadequate for food and income security in the future under the current economic challenges and slow-down that many middle- and low-income economies face. Therefore, non-contributory payments are a must to continue with and to expand coverage. It is not an either/or choice but of a combination.

Annex 1

International/South Asian Experience - Case Studies

Table 1: Case Studies: Home-based workers - Decent work and social protection through organisation and empowerment

Programme/ Organisation and Country	Strategy	Social Protection Focus
Self-Employed Women’s Association (SEWA) in India	<ul style="list-style-type: none"> Regularly scan their ‘business’ environment to help them set priorities and plan and review their work. Conduct surveys and meetings to understand the challenges of HBWs women. Capacity building with focus on self-reliance and full employment. Enhanced access to capital formation. Capacity building for business and technical skills and facilitating product development and marketing support. Advocacy for inclusion of HBW in social security measures. They started VimoSEWA an insurance programme with private companies for social protection of HBWs. They represent workers in tripartite welfare boards for specific industries. 	Yes

Programme/ Organisation and Country	Strategy	Social Protection Focus
PATAMABA in the Philippines	<ul style="list-style-type: none"> Capacity building with focus on self-reliance and full employment Increased registration and accreditation of HBW with the appropriate government bodies 	Yes
PATAMABA in the Philippines	<ul style="list-style-type: none"> Foster partnerships to enhance access to productive resources and access to social security programmes. Promote self-enrolment of HBW in national social security programmes. They also persuaded the Social Security System (SSS) to allow self-employed HBWs to avail of social insurance through the Automatic Debit Account arrangement. They also support another SSS programme called AlkanSSSyA for informal workers that allow members to save for their daily SSS contribution in a depository box. 	Yes
The HomeNet Thailand Association (HNTA) and the Foundation for Labour and Employment Promotion (FLEP) FLEP in Thailand	<ul style="list-style-type: none"> Focus on access to employment opportunities. Advocate for fair wages for HBWs. Advocate for access to social security programmes by HBW. Lobby for reliable data collection by the National Statistical Office. They also started a micro-insurance programme for its members. Made social security and social assistance coverage a priority in policy advocacy, together with other informal workers' organisations in agriculture, street vending, domestic work and the entertainment industry. 	Yes
Centro de Capacitación para la Mujer Trabajadora, or Training Centre for Working Women (CECAM) in Chile	<ul style="list-style-type: none"> Conduct Door-to-door contact with HBWs to find women in HBW and engage them. Hold small meetings with HBWs to discuss their aspirations, challenges, and to give potential guidance. Horizontal mapping of HBWs and vertical mapping of selected value chains to identify possible allies and pressure points for lobbying and advocacy work. Capacity building for business and technical skills and facilitating product development and marketing support. Encourage and facilitate through guidance for formation of small organisations consisting of HBWs. They advocated and succeeded in getting labour rights protection for HBW if they organised themselves (at least 8 members) into groups as trade unions or labour workshops CECAM dissolved after 2006. 	Yes

Source: Table formulated by extracting information from the Home-based workers: Decent work and social protection through organization and empowerment, by ILO <https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo->

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