



GENDER MAINSTREAMING POLICY BRIEF – 2

Home-Based Women Workers and Social Protection in Pakistan

SDG 1 and 8

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1. Introduction

In the shadow of COVID-19, while the world economy contracts into recessionary trends, developing countries are looking at social protection (SP) as the panacea for rising inequality and poverty. SDG 1 on Poverty calls upon countries to implement na-

tionally appropriate SP systems and SDG 8 emphasises sustainable economic growth and decent work.¹

Globally, the women and men labour force participation rates have averaged 50 percent and 77 percent, re-

1. Target 1.3: Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable; and Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

spectively, for over two decades. The lack of basic rights, lower literacy rates of women, and gender gaps in access to social and financial services impact women's economic productivity and empowerment. These gender gaps in labour market have a negative impact on GDP

growth.²

How can Pakistan provide SP to its vulnerable and invisible home-based women workers (HBWWs)?

2. Pakistani HBWs: Legal Status, Policies, and Data

Pakistan has signed the SAARC Kathmandu Declaration (2000) that recognises HBWs. The ILO Convention 177 on HBWs, though not ratified, informs provincial HBW legislation across all provinces: Sindh's Homebased Workers Act (May 2018) and HBW Policy in November 2020; Khyber Pakhtunkhwa's Home-based Workers (Welfare and Protection) Act (August 2021); Balochistan Home-based Workers Act (April 2022); and the Punjab Home-based Workers Act (March 2023). Two additional laws in Balochistan (Industrial and Commercial Employment (Standing Orders) Bill, Payment of Wages Bill) in 2021 strengthen women's access to fair wages. These laws will enable registration of HBWs provided the rules of business, registration, and access to social security are ensured.

With no large-scale reliable surveys, various reports place the total number of HBWWs between 3.6 million³ and 12 million.⁴ The need for reliable data to devise effective im-



plementation strategies is critical but must not be used to block favourable and progressive initiatives. For example, Sindh began registering HBWs in November 2020 and introduced the Benazir Mazdoor Smart Card.⁵

3. Remuneration and Enforcement

A 2017 ILO survey indicated that home-based workers and their helpers worked 12.3 hours per day, six days a week for an average monthly income of PKR 4,342 (\$41.42, the exchange rate in 2017).⁶ HBWs have limited knowledge about minimum wage and little ability to bargain with the contractor upon whom they rely for their livelihood.⁷ Measures to enforce minimum wage need to

be effective as runaway inflation adds to increased transportation, materials, and utilities costs. This situation results in indebtedness and compromises on food, health, and children's education. During the 2022 rains and floods, leaking or collapsed roofs added to HBWW's vulnerability. Fair remuneration and SP are prerequisites for HBWWs.

2. <https://olc.worldbank.org/content/overview-women-work-and-economic-growth-leveling-playing-field>

3. <https://www.worldbank.org/en/results/2022/07/07/supporting-legal-reforms-to-increase-womens-workforce-participation-pakistan> Accessed 23 Sept 2022

4. 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

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

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

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



4. Social Protection

SP consists of social security/insurance (contributory) and social assistance/safety nets (non-contributory) schemes woven together through a combination of legislative and administrative changes. Economic liberalisation led to increased formalisation of work and decreased unionisation and cuts in social security programmes. Given that non-contributory social safety net programmes cannot cover all social risk,⁸ demands for SP policies to ensure a minimum level of decent employment, education, and health as rights coalesced.

The 1973 Constitution of Pakistan, Article 38(c), Chapter on Principles of Policy, calls on the State to “provide for all persons employed in the service of Pakistan or otherwise, social security by compulsory social insurance or other means”. Between 1971 and 2008 when the Workers Welfare Fund and the Benazir Income Support

Programme (BISP) and its offshoot, the Ehsaas Programme (2019) were established, various governments announced at least six institutions and six taskforces and frameworks for social insurance and assistance.

4.1 HBWs, COVID-19, and SP

According to a World Bank report on labour market and household wellbeing in Pakistan, “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 ... COVID-19 might lead to further declines in women’s participation in the economy of Pakistan, where women’s labour force participation is already among the world’s lowest.”⁹

8. ILO, 2017a, 2016c https://www.ilo.org/wcmsp5/groups/public/-/dgreports/-/cabinet/documents/publication/wcms_629864.pdf

9. <https://openknowledge.worldbank.org/handle/10986/35381> accessed 31 May 2023

A Ministry of Human Rights' policy brief prioritised support for vulnerable HBWWs explaining that they neither have income security nor access to SP.¹⁰ The Ehsaas Kafalat Emergency Programme's one-time grant of PKR 12,000 for four months of food expense could not reach most of HBWWs as the government had neither registered them nor collected their data. When international brands cancelled orders and refused to pay for shipped orders, the textile sector workers (contributing over 60 percent of exports and employing 40 percent of the labour force of whom a majority are women) suffered immensely. Although Sindh promulgated a COVID-19 relief law under which employers could not terminate employees, its inability to monitor and enforce this decision did not ease the situation of HBWWs. It undertook to register HBWs in November 2020, but the process remains incomplete. Sindh has 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



2022.¹¹ To facilitate registration, the Sindh government has provided for online registration until August 2023.

5. Recommendations

5.1 Legal recognition and implementation mechanisms

Pakistan needs to sign and ratify ILO Convention 177 on HBWs. To ensure HBWs' entitlement to social security, pensions, old-age benefits, workplace safety, unionisation and collective bargaining, and all other benefits that registered labour unions receive under the existing labour laws, the following mechanisms are required:

Supporting Government to Facilitate Implementation Mechanisms:

1. Capacity building of federal and provincial Labour Departments for developing the rules of business;
2. Improve the strength of Labour Departments for effective monitoring and inspection;
3. Ensure comprehensive and regular data collection on HBWs to support responsive evidence-based policies;
4. Registration of HBWs through creation of HBWs Registries to enable HBWs to participate in social security schemes; and
5. Capacity building of local government to register HBWs and regularly update the registries.

5.2 Minimum wage and right to unionise

The wage boards must review the minimum wage regularly; government must enforce the minimum wage, and institute effective complaints' redressal and dispute resolution mechanisms. It must also facilitate and expedite the registration of HBW's unions for collective bargaining.

5.3 Analysis and monitoring

The government must ensure HBW's rights and protection against exploitation (especially HBWs' remuneration) by regularly monitoring the sectors that HBWs work in.

5.4 Skills training and financing

Both the government and the private sector provide skills training, low-interest credit and facilitate opening bank accounts to promote entrepreneurial activities. Private sector organisations, especially the Chambers of Commerce and Industry, including women's chambers and other employers and business associations, can provide HBWs information about these measures.

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

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



5.5 Advocacy for mitigation measures: COVID-19, climate change and economic recession

To protect HBWs from external shocks such as the COVID-19 pandemic, climate catastrophes and vagaries of the market, the government, civil society and the private sector (e.g., chambers of commerce and industry, employers federations, business associations), and labour unions/associations, must all evolve strategies to advocate for the implementation of HBW's rights.

The Ministries of Commerce and Foreign Affairs must initiate global and regional advocacy with international brands and businesses to fulfill their obligations towards the workforce in supply chains and contribute towards workers' social security from their CSR budgets.

5.6 Universalisation of social security and unemployment fund in Pakistan

An advocacy campaign for "Universalisation of Social Security" and an "Unemployment Fund" for workers without employment facing income losses is imperative. Linking the registration of HBWs with existing social security (contributory) and social assistance (non-contributory) institutions and schemes is critical. BISP and local governments can work with provincial social security institutions to create a social registry of HBWs.

5.7 Creating fiscal space

The three tiers of government can contribute to social security from their non-tax revenues. Furthermore, when the government introduces austerity measures, a percentage of the 'savings' should be allocated to social security. A detailed exercise to identify areas where expenditures and subsidies can be reallocated towards SP must be undertaken.

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