**`Decent` work**

BY H A D I A M A J l D 2021-08-17

PAKISTAN scored 51 out of a possible 100 in the 2020 compilation of the Decent Work Check tool of the Labour Rights Index. To put this in perspective, the index covers 115 countries with top scorers at 96 points. Not only are we in the bottom half of the countries in the index, but we lag behind others in the region, including India and Iran. But what does this index cover and why should we be concerned about Pakistan`s ranking? The concept of `decent work` was of ficially launched by the ILO in 1999. It is built around four pillars: employment, social protection, workers` rights and social dialogue.  
  
Decent work then embraces the level of remuneration received by workers, safe and healthy working environments and their ability to organise. Moreover, it is meant to cover all types of employment modalities f rom formal to informal, home-based or selfemployed. Signatories to the Decent Work Convention pledge their commitment to the creation of economic opportunities for men and women which are not only productive and well-paid but are obtained `...in conditions of freedom, equality, security and human dignity`.  
  
When assessing whether wages are `decent`, we must consider whether they can adequately cover the living expenses of workers and their families as well as how these relate more generally to wages earned and living standards throughout the country. This becomes especially relevant vis-àvis the minimum wage. The 2021-22 federal budget raised the minimum wage from Rs17,500 to Rs20,000 per month. Provinces have raised their own minimum wages.  
  
Although the move is laudable, the amount remains below the living wage (except in Sindh) which is calculated keeping basic needs such as food, housing, transport, health etc in view. As of 2019, the living wage as calculated though the ILO`s wage indicator for a typical family of around five people in Pakistan stands at about Rs25,000.  
  
At the same time, work by colleagues at Lums has pointed to rising income polarisation and inter-generational occupational stagnation where younger generations find it increasingly hard to climb up the socioeconomic ladder. My own work has noted gender wage gaps with women earning an average of only 70 per cent of what men do, with a time trend of rising wage gaps. In this, the poorly monitored informal sector and the staggering 80pc of working women in the agricultural sector working as family help without any pay are the biggest causes for concern.  
  
Of course, wage rates are only part of the story when it comes to evaluations of whether employment is productive. After all, it is possible for workers to bump up their incomes by working multiple jobs and longerhours. Living wages are thus calculated keeping full working hours in mind, which amount to about 50 hours per week in Pakistan. Clearly, we have a long way to go with regard to achieving not just a basic income level but also wage equity within the country.  
  
Turning to social protection, employers systematically underinvest in social security for their workers and there is little to no understanding of the benefits and claims systems within the Employees` Old-Age Benefits Institution. While this is especially true for rural workers, the formal sector is also a major culprit. For example, within the manufacturing sector, an average of 60pc of workers are employed on casual contracts, with the number rising to 90pc for women.  
  
So long as workers remain on casual contracts, the employer is not required to provide them with any health or other benefits.  
  
We have likely seen a sharp rise in the incidence of such contracts during the pandemic, although there are as yet no official numbers for confirmation.There is also little on-the-job safety provisioning with women and children in the agricultural and informal sectors being particularly vulnerable to unsafe working conditions.  
  
With union membership standing at amere 2.2 pc of all employe d, there are hardly any avenues for workers to push back against poor working conditions to secure better and decent work. Rights awareness remains poor, with many not realising the safety or even maternity leave provisions provided under the law.  
  
SDG 8 refers to decent work in the context of economic growth. Pakistan has revisited its commitment to increasing productivity while promoting decent work. Initiatives include promoting women`s employment, entrepreneurship particularly through incubation centres, and providing schooling to child labourers among others. Yet, steps appear sparse with key overhauls with regard to implementation of existing labour laws and workers` right to unionise being poorly realised. Given this, decent work deficits remain more pronounced for groups most vulnerable to social and economic risks, predominantly including women and children but also minorities and migrants, and will remain widespread for the foreseeable future.  The writer is associate professor economics at Lums.