



International
Labour
Organization

Barriers to pay equality in Pakistan

The gender pay gap in the garment sector

Frida Khan



Barriers to pay equality in Pakistan

The gender pay gap in the garment sector

Copyright © International Labour Organization 2017

First published 2017

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to ILO Publications (Rights and Licensing), International Labour Office, CH-1211 Geneva 22, Switzerland, or by email: rights@ilo.org. The International Labour Office welcomes such applications.

Libraries, institutions and other users registered with a reproduction rights organization may make copies in accordance with the licences issued to them for this purpose. Visit www.ifrro.org to find the reproduction rights organization in your country.

ISBN: 978-92-2-130947-5; 978-92-2-130958-1 (web pdf)

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

Information on ILO publications and digital products can be found at: www.ilo.org/publins.

All photos © Frida Khan

Printed in Pakistan

Foreword

Women are significantly under-represented in Pakistan's labour force, despite their huge contribution to daily life. Where women are employed they face a significant gender pay gap, alongside other forms of discrimination which limit their potential.

The Labour Standards in Global Supply Chains project, which is funded by the Federal Republic of Germany commissioned this research to provide improved information on the gender pay gap in Pakistan and, in particular, the gender pay gap in the Pakistan's large garment sector, through an analysis of the data contained in Pakistan's Labour Force Surveys in 2013-2014 and 2014-2015, using hourly pay rates. The research analysis builds on the ILO's research and methodology adopted in its 2016 Global Pay Report.

In addition the research has sought to place the analysis in context, exploring the realities of the formal and informal economies within the garment sector, and the very real barriers faced by women in accessing decent work and equal pay. The report highlights that, despite Pakistan's broad guarantee of equality for both women and men, the existing legal frameworks fail to fully provide the right to equal pay for work of equal value. Broader barriers, in relation to opportunities to access education, training, safe transport and the more lucrative roles within the sector are also examined.

The report's recommendations build upon the work of a large group of Pakistan's stakeholders, including federal and provincial government, trade and employers' associations, trade unions, civil society groups, think-tanks and academia, who met together in Lahore in November 2016 to participate in the research and to validate its findings.

I would like to thank the consultants and ILO team who took part in and reported on this very interesting research topic.

The ILO Country Office for Pakistan will continue to work together with Pakistan's stakeholders federally and provincially to realize the aspirations set out in Pakistan's third Decent Work Country Programme 2016-2020 and to work towards the achievement of equality and women's economic empowerment and the sustainable development goals.

Ingrid Christensen
Country Director
ILO Country Office for Pakistan
Islamabad, Pakistan
April 2017

Contents

Foreword.....	III
Acknowledgements	IX
List of abbreviations	X
Executive summary.....	XI
Chapter 1: Purpose, scope and methodology	I
Quantitative analysis	I
Qualitative analysis.....	2
Chapter 2: The global gender pay gap	5
What causes the gender pay gap?.....	6
Chapter 3: Gender equality and the gender pay gap in Pakistan	9
Female labour force participation.....	11
Chapter 4: Legal and policy frameworks in Pakistan	13
International obligations.....	13
National frameworks and policies	13
Implementation and enforcement of laws.....	16
Chapter 5: The gender pay gap in the garment sector in Pakistan.....	18
Women in the garment sector.....	18
Occupational sex segregation.....	20
Education and training	28
Unionization and collective bargaining.....	32
Compliance	33
Chapter 6: Conclusions.....	38
Chapter 7: Recommendations to address the gender pay gap	40

Meta-level recommendations.....	40
Macro-level recommendations.....	41
Meso-level recommendations.....	43
References	45
Appendices	49
Appendix I: Wage regression	49
Appendix II: Descriptive statistics based on employment sample: garment sector	51
Appendix III: Quantitative analysis.....	53
Appendix IV: List of participants of the stakeholders' consultation.....	57
Appendix V: Survey tools	60

List of tables

Table 1: Number of participants by location and occupational group.....	3
Table 2: Number of participants in focus group discussion and by location.....	3
Table 3: Factory site visits by location.....	4
Table 4: Share and earnings ratio for workers (aged 15 to 64).....	10
Table 5: Jobs and wages in the ready-made garments sector.....	22
Table 6: Average hourly wage in the garment sector....	26
Table 7: Comparison of average hourly wages with statutory minimum wages 2013-2015 (PKR).....	34
Table 8: Average number of hours worked in a week....	35
Table 9: Industrial and Commercial establishments registered with Social Security wing of Provincial Governments.....	36

List of figures

Figure 1: Global Gender Gap Index 2016.....	7
Figure 2: Average hourly pay (PKR).....	9
Figure 3: Female-to-male wage ratio by sector.....	10
Figure 4: Employment status.....	11

Figure 5: Occupational categories.....	12
Figure 6: Employment shares by sector.....	18
Figure 7: Average hourly wages (PKR).....	19
Figure 8: Log wage distribution.....	20
Figure 9: Occupations in the garment industry.....	21
Figure 10: Employment status in the garment industry.....	21
Figure 11: Location of work in the garment industry.....	21
Figure 12: Educational attainment in the garment industry.....	29
Figure 13: Vocational training in the garment industry.....	29

Acknowledgements

This report was researched and authored by Frida Khan, gender and labour expert. The quantitative analysis was carried out by Dr Laurie Reijnders of Groningen University, the Netherlands, who also contributed to the text. Sajjad Akbar contributed to the statistical component of the report. The statistical analysis was also externally peer reviewed by Maite Martínez Granado of Naider.

The author is grateful to the ILO for commissioning this research. Special thanks go to ILO colleagues in Islamabad, Bangkok and Geneva, particularly Rabia Razzaque, Caroline Bates, Matt Cowgill and Rosalia Vazquez-Alvarez, for their guidance throughout the research process.

The author would also like to thank HomeNet Pakistan, the Home-Based Women Workers' Federation and the Pakistan Readymade Garment Technical Training Institute in Lahore for facilitating factory and community visits.

Preliminary results of the research were presented at a stakeholder consultation workshop in Lahore on 22 November 2016. The report benefitted from the discussions at the workshop and the author would like to thank all of the participants for their contributions. A list of participants can be found in Appendix IV.

The author is grateful for the support of the Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), on behalf of the Federal Republic of Germany, which fund the ILO's Labour Standards in Global Supply Chains Programme and without which this research would not have been possible.

The responsibility for opinions expressed in this publication rests solely with its author. Their publication in this report does not constitute their endorsement by the ILO or the Government of the Federal Republic of Germany.

List of abbreviations

ILO – International Labour Organization

PRGTTI – Pakistan Readymade Garments Technical Training Institute

PKR – Pakistani rupees

PKTI – Pakistan Knitwear Training Institute

UNDP – United Nations Development Programme

UN Women – United Nations entity for Gender Equality and the Empowerment of Women

Executive summary

All around the world women earn less than men. Globally, the gender pay gap is estimated to be 22.9 per cent; in other words, women earn on average 77.1 per cent of what men earn.¹ The 2016 International Labour Organization (ILO) *Global Wage Report* revealed large variations of pay inequality around the world and also identified that inequality levels vary widely by sector. This report sets out to examine pay inequality in Pakistan and, in particular, in the country's garment sector.

Analysis of Pakistan's Labour Force Surveys for 2013-2014 and 2014-2015 show a gender pay gap of 26 per cent across Pakistan's workforce without taking into account differences in workers' characteristics. However, in the garment sector, Pakistan's largest manufacturing industry and a significant employer of women, it rises to 33 per cent.

The level of women's participation in the labour force in Pakistan is low (26 per cent).² Cultural barriers and gender stereotypes valuing men as breadwinners and women as homemakers are prevalent. While this is changing in large urban centres, major obstacles to women entering the workforce persist. A major factor is the lack of safe, affordable and accessible transport facilities; these are only provided in some of the largest exporting enterprises. The lack of suitable, affordable childcare is also a major disincentive in a society that places the burden of child-rearing almost exclusively on women.

Pakistan's legislative and policy framework contains no general prohibition on pay inequality, save for in Khyber Pakhtunkhwa, where recent legislation has introduced the concept of equal pay for work of equal value. Additionally, some legislative measures designed to protect women from excessive hours and night work have the unintended consequence of making women less attractive to employers, who require a flexible workforce in an order-driven industry.

The large informal economy, including Pakistan's largely female home-based workers, is viewed as falling outside the legal protections that do exist, such as statutory minimum wages. The recent adoption by Sindh of its Home-Based Workers Policy is a huge step forward, but will require legislative follow-up and careful implementation. It is hoped that other provinces will follow this example and introduce their own policies on home-based and domestic workers.

Research showed that overall compliance levels are low. The exception is the small pool of manufacturers supplying the United States and European Union export markets, where the demand-led audit requirements of buyers and retailers have had a major impact in improving compliance. These successful examples must be leveraged further across the sector. In addition, research indicates that enforcement mechanisms

¹ ILO: *Equal Pay: An introductory guide*, (Geneva, 2013) p.12. Available at http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_216695.pdf [accessed 16 Nov.16].

² This is a bit higher than the 22 per cent reported in the Labour Force Survey Annual Report because it only includes respondents (women) aged 15 years and over rather than aged ten years and over.

are weak and viewed as unresponsive, particularly in relation to women workers. In addition, labour inspectorates are under-resourced and the labour courts do not provide effective and accessible redress.

While the research did not reveal widespread direct pay discrimination, it did point to a number of factors that significantly influence pay disparity. Work segregation, with women channelled into the least well-remunerated roles, can be seen in the factory setting and in home-based work. Work interruptions also have a very significant effect; women experience direct discrimination in relation to marriage, pregnancy and child-rearing. Poor levels of maternity support and low levels of quality childcare facilities compound this.

Importantly, the research reveals the significant effects on pay of women's lack of access to higher levels of education and their greater dependence on off-the-job vocational training, which has a poor return in relation to pay. The research highlights the need to rethink and redesign vocational training to make it more useful to employers and enterprises.

Finally, low trade union density limits women's access to collective bargaining and their ability to actively influence negotiations around pay and conditions.

This report ends with a number of detailed recommendations, formulated in conjunction with a large range of stakeholders, whose implementation would help address the disparities in pay highlighted by the research.

Chapter I: Purpose, scope and methodology

Following research by the ILO in 2015 on minimum wage processes and mechanisms in Pakistan,³ stakeholders adopted a series of recommendations setting out a road map for reform. This identified a number of data gaps and the need for research on key areas, one of which was disparities in pay between men and women. As a result, in 2016 the ILO's Labour Standards in Global Supply Chains Programme commissioned the research on which this report is based.

The purpose of the research was to explore Pakistan's gender pay gap, with a focus on the garment sector. In particular, the study aims to identify:

- the scope of and factors contributing to the gender pay gap;
- the extent of the gender pay gap in the garment sector in Pakistan; and
- recommendations to address disparities in pay.

The research combines quantitative and qualitative methods and analysis. The quantitative analysis focuses on data collected through Pakistan's annual Labour Force Survey, supplemented by qualitative research in three research locations with a significant garment and textile industry: Lahore, Faisalabad and Karachi. The methodology adopted is described below. A detailed explanation of the methodology can be found in Appendix V.

Quantitative analysis

In 2013 Pakistan's Labour Force Survey, for the first time, collected disaggregated data in relation to the garment industry.⁴ This report analyses the data contained in the 2013-2014 and 2014-2015 Labour Force Surveys in order to identify the gender pay gap for Pakistan as a whole and within the garment sector specifically.

The data from both years was pooled to increase the sample size⁵ to 152,215 employed individuals over the age of 15, 119,705 of whom were male and 32,510 were female. From this sample 2,974 male and 2,273 female workers were identified as

³ M. Zhou: *Minimum wage setting, implementation and working conditions in the formal and informal sectors of the garment industry in Pakistan* (Bangkok, ILO, 2016).

⁴ The data collated for industrial code 14, referring to "manufacture of wearing apparel" set out in the Manual of Instructions for Field Enumerators/Supervisors in the Labour Force Survey 2013-2014, produced by the Pakistan Bureau of Statistics, was used.

⁵ Observations where the hourly wage is more than nine times (or less than 1/9 of) the average wage by occupation and sex were excluded. Nevertheless, including these outliers does not significantly alter the quantitative results and conclusions.

engaged in the garment sector. A wage regression⁶ was conducted to understand the impact of age, education, marital status, employment status and contract type on wages. The wage regression results appear at Appendix I and are discussed in detail in Appendix III. Additionally, data was analysed to identify wage differences that can be explained by factors such as age and location and those that cannot and may be the result of discrimination on the basis of gender.

There are a number of limitations regarding the data contained in the Labour Force Survey. The Survey only contains information in relation to employees, as opposed to own-account workers or workers who contribute to family income. Consequently women are significantly under-represented in the sample. The data collected as part of the survey is not exhaustive and excludes work experience, which clearly impacts on wages. The number of garment sector workers included in the sample size is relatively small.

In addition there are aspects of the Labour Force Survey methodology that affect the accuracy of responses from and regarding women. Enumerators are often male and female respondents in the household may not feel comfortable talking to men. Though the questionnaire takes into account the work of the whole household, there is only one respondent who answers on behalf of the family. The respondent is usually the “head of the household”, traditionally an elder man, and his responses might not actually reflect the productive work done by the women in the family, either because he is not aware of the extent of it or because it is considered a matter of honour to say that women in the family do not work, even if they do.⁷ These are common constraints in survey methods that result in the inaccuracy and under-reporting and can render women’s work invisible in labour force data.

The complete statistics emerging from this analysis are given in Appendix II and are discussed in the report as part of the overall findings.

Aspects of the gender wage gap that cannot be adequately investigated using statistical methods, due to data limitations, were explored using qualitative research.

Qualitative analysis

The qualitative research combined a desk review, a telephone survey of 92 workers in the garment industry, ten focus group discussions, 64 key informant interviews and eight factory visits.

The survey respondents included piece-rate and salaried workers. Respondents’ names and their places of work were kept confidential, but anonymous profiles of their factories were provided to the research team in order to allow them to analyse responses against types and place of work. This sample was not intended to be statistically significant, but to add detail and depth to the analysis.

⁶ Applying an inflation correction to wages in 2014-2015.

⁷ Interview with the Pakistan Bureau of Statistics, Munir Ahmed Aslam (DDG-LFS), 29 Sep. 2016.

Table 1: Number of participants by location and occupational group

	Trimming, Finishing, Packing, Stitching, Quality Auditors		Supervisors, Floors-in-charge, Production in- charge/managers	
	Women	Men	Women	Men
Lahore	20	4	9	7
Faisalabad		9		2
Karachi	9	13	3	16
Total	29	26	12	25

The focus group discussions were conducted with groups of female factory and home-based workers, and women and men working as managers in factories. They took place whenever possible off-site. Interviews with home-based workers were conducted in their homes and localities.

Table 2: Number of participants in focus group discussion and by location

	Karachi	Faisalabad	Lahore
Factory workers	40 women	25 women	40 women
Managers and factory owners	25 (5 women 20 men)	15 (2 women 13 men)	25 (5 women 20 men)
Home-based workers	30 women Musharaf Colony, Lassi Para and Godra Town	20 women Pathanwala	50 women Shadi Pura and Begum Pura

A total of 64 key stakeholders in Lahore, Karachi, Faisalabad, and Islamabad were interviewed. Interviewees included representatives from a range of factories, trade associations, buying houses, provincial and federal government, women's equality bodies, trade unions, academia and development sector organizations.

Eight factory visits were conducted in Lahore, Karachi and Faisalabad to get an understanding of the general environment in which women and men worked and the processes that comprise the garment manufacturing chain.

Table 3: Factory site visits by location

	Karachi	Faisalabad	Lahore
Large exporting firms	2	1	1
medium unit	1	0	0
Informal units	0	1	2

Discussions were kept confidential and identities have not been disclosed in the report.

The qualitative research examined direct pay discrimination, as well as structural and attitudinal factors contributing to the gender pay gap in the garment sector. The legal framework and provisions protecting women and promoting gender equality were also examined.



Women Home-based workers in Daroghy Wala, Shadi Pura displaying their work.

Chapter 2: The global gender pay gap

The gender pay gap is a measure of the difference between men's and women's average earnings. It can be measured, where data is available, within labour markets, enterprises or industrial sectors.

The ILO's *Global Wage Report 2016/17* includes information on the estimated gender pay gap globally and in the specific countries examined. The gender pay gap varies widely across the various countries analysed, from 0 to 45 per cent. The largest gender pay gaps are usually found at the top of the wage distribution – the “glass ceiling” for highly skilled women workers – and at the bottom – the “sticky floor” for women working in the lowest paid jobs.⁸ The gender pay gap increases when it intersects with other factors, for example where women are from a minority group or living with disability.⁹

The wage gap also varied considerably across different enterprises. These variations demonstrate that enterprise level job evaluations remain an essential component of effective legislation guaranteeing the right to equal pay for work of equal value. This must be supported by effective enforcement mechanisms and access to justice.¹⁰

“Generally, countries with strong labour market institutions and policies, such as collective bargaining and minimum wages, tend to provide environments conducive to promoting gender equality (Schäfer and Gottschall, 2015; Ugarte, Grimshaw and Rubery, 2015). In countries where collective bargaining is strong, inequality tends to be lower and this also translates into lower pay gaps. Across OECD countries, research shows that the gender pay gap is smallest (8 per cent) in the group of countries where the collective bargaining rate is at least 80 per cent, and widest in countries with weak collective bargaining and no or very low minimum wages (Rubery and Grimshaw, 2011). Generally, however, the presence of unions tends to be weaker in sectors where women are over-represented (Peetz, 2015; ILO, 2008b), and women are over-represented among the low-paid in both developed and developing countries (Lee and Sobeck, 2012; ILO, 2010a). For this reason, minimum wages are also an effective policy to help reduce the gender wage gap between men and women at the bottom of the wage distribution.”¹¹

⁸ UN Women: *Progress of the World's Women 2015-2016: Transforming Economies, Realizing Rights* (New York, 2016).

⁹ E. Esplen and A Brody: *Putting Gender Back in the Picture: Rethinking women's economic empowerment* (Brighton, University of Sussex, 2007).

¹⁰ ILO: *Global Wage Report 2016/17: Wage inequality in the workplace* (Geneva, 2016).

¹¹ Ibid, p. 16.

What causes the gender pay gap?

Causes of the gender pay gap are commonly divided into “explained” and “unexplained” factors. Explained factors include objective observable characteristics such as age, education, qualifications, experience, and occupation.¹² The part of the gender pay gap that cannot be ascribed to these observable characteristics is ascribed to unexplained factors. Unexplained factors can include characteristics which *should* not impact upon pay, such as whether a worker is married or not, or a decision to pay women less than men for the same work.¹³ For this study marital status is included as one of the ‘explained’ characteristics in the wage analysis.

Pay discrimination can take many forms, both direct and indirect. In some instances, pay rates are specifically based on whether the worker is a woman or a man, marital status, age or ethnicity, which is clear and direct discrimination. More often, discrimination is subtle and indirect, such as paying lower wages in sectors traditionally associated with women.¹⁴

While direct discrimination is widely censured, other components of the gender pay gap are often attributed to women’s “choices” such as “preferring” jobs in less remunerative sectors or having less experience due to time taken off for childbirth and caring. In reality these “choices” are shaped by a highly gendered environment that assigns the bulk of unpaid care and domestic work to women and stereotypes that cluster women into undervalued occupations.¹⁵ This is reflected in the fact that women with children are likely to be paid less than men and less than women without children.¹⁶ Even the proportion of the gender pay gap that can be statistically “explained” by observable factors may, ultimately, be shaped by gender.

Occupational sex segregation

Stereotyped assumptions regarding work which is “suitable” for women and men often leads to women being concentrated in low status work attracting lower pay.¹⁷ In high-income countries, the health and education sectors are a major source of employment for women, employing almost a third of all women in the global labour market.¹⁸ However the vast majority of women employed in these sectors are confined to less

¹² ILO: *Women at Work: Trends 2016* (Geneva, 2016).

¹³ ILO: *Global Wage Report 2014/15: Wages and income inequality* (Geneva, 2015). Available at http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_324678.pdf [accessed 16 Nov.16].

¹⁴ Adapted from http://www.ilo.org/infostories/Stories/Discrimination/tackling-sex-discrimination-through-pay-equity?utm_content=buffera742&utm_medium=social&utm_source=twitter.com&utm_campaign=buffer#why-are-there-gender-pay-gaps [accessed 16 Nov. 16].

¹⁵ UN Women: *Progress of the World's Women 2015-2016*, (New York, 2016).

¹⁶ Research in sub-Saharan Africa and South Asia shows that the presence of children in the household is associated with gender pay gaps of 31 per cent and 35 per cent, respectively, compared to 4 per cent and 14 per cent for women living in households without children.

¹⁷ <http://www.ilo.org/infostories/Stories/Discrimination/tackling-sex-discrimination-through-pay-equity#why-are-there-gender-pay-gaps> [accessed 16 Nov. 2016].

¹⁸ ILO: *Women at Work: Trends 2016*, (Geneva, 2016).

skilled rather than higher skilled and better paid work.¹⁹

Women are also more likely to work in the informal economy, unregulated by labour laws and therefore more vulnerable to various forms of exploitation, including low wages.²⁰



Source: *Global Gender Gap Index 2016*, World Economic Forum

Work interruptions

Globally women perform an unequal share of family and household tasks, which leaves them with fewer opportunities for full-time work and career advancement. These limitations have an adverse effect on pay, promotion and pensions.²¹

Education and training

Women's education and training opportunities are frequently more limited than those of their male counterparts²² due to cultural barriers, assumptions that girls' education is less economically beneficial²³ or simply restricted access to schools.

Research shows that on average, each additional year of education a child receives increases her or his adult earnings by about 10 per cent.²⁴ It is clear that fewer years of schooling will translate into fewer job opportunities and lower levels of pay.

Systems of technical and vocational education and training are also found to reinforce gender stereotypes, especially in developing countries with strong gendered divisions of labour.²⁵ Workplace training is also often biased in favour of men, who are considered to be more receptive to skills acquisition and less likely to leave the

¹⁹ UN Women: *Progress of the World's Women 2015-2016*, (New York, 2016).

²⁰ ILO: Resolution concerning decent work and the informal economy, International Labour Conference, 90th Session, Geneva, 2002.

²¹ ILO: *Women at Work Trends 2016*, (Geneva, 2002).

²² OIT: *Trabajo Decente y Juventud - América Latina* (Port-of-Spain, 2007).

²³ <http://www.ilo.org/infostories/Stories/Discrimination/tackling-sex-discrimination-through-pay-equity#why-are-there-gender-pay-gaps> [accessed 16 Nov. 16].

²⁴ UNICEF: *The State Of The World's Children 2016: A Fair Chance for Every Child* (New York, 2016).

²⁵ UNESCO-UNEVOC, Tvetipedia,

http://www.unevoc.unesco.org/tvetipedia.0.html?&tx_drwiki_pi1%5Bkeyword%5D=Gender%20issues%20and%20TVET [accessed 20 Oct. 16].

workforce than women.²⁶

Part-time versus full-time work

Across the world the majority of those working less than 35 hours per week are women, most likely because of their primary role as caregivers in most societies.²⁷ The hourly pay gap tends to be larger in countries with a high incidence of part-time employment in which women tend to be over-represented.²⁸

Unionization and collective bargaining

Research shows that globally, trade union membership narrows the pay gap by 6 per cent.²⁹ The situation of women workers is therefore worse in the informal economy, where dispersed workplaces make collective bargaining more difficult.³⁰



Workers in a garment factory in Karachi

²⁶ E. Esplen and A. Brody: Putting Gender Back in the Picture.

²⁷ ILO: *Women at Work: Trends 2016*.

²⁸ <http://www.ilo.org/infostories/Stories/Discrimination/tackling-sex-discrimination-through-pay-equity/#why-are-there-gender-pay-gaps> [accessed 14 Sep.16]

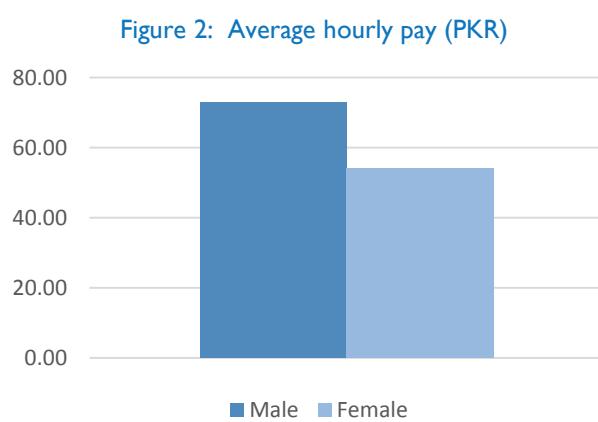
²⁹ B. Perinelli and V.A. Beker: *The Gender Gap. A comparative analysis of wages in times of recession* (Amsterdam, WagelIndicator Foundation, 2011).

³⁰ UN Women: *Progress of the World's Women 2015-2016*.

Chapter 3: Gender equality and the gender pay gap in Pakistan

Pakistan was not one of the countries selected for analysis in the ILO's *Global Wage Report*. However, estimates have been made in relation to Pakistan's gender pay gap by analysing its Labour Force Surveys. In 2016 the UN Entity for Gender Equality and the Empowerment of Women (UN Women) estimated the gender pay gap in Pakistan at 29 per cent.³¹ The ILO had previously³² estimated that at 64.5 per cent, Pakistan's textile, garment and footwear sector had one of the highest gender pay gaps in the world.³³

This report aims to provide a more granular estimate of Pakistan's gender pay gap generally and, in particular, the garment sector, by an analysis of data based upon hourly rates of pay and adopting the methodology used by the ILO in its recent *Global Wage Report 2016-17*. Using this methodology, data contained in the Labour Force Surveys for 2013-2014 and 2014-2015 shows that the gender pay gap across the whole economy is 26 per cent; in other words, women's wages are 74 per cent those of men.



In most sectors women earn less than men. Pay gaps are higher in sectors where women are employed in significant numbers and lower in those in which few women work. The only sector in which women earn more than men is transport and communication, but this figure is likely to be unreliable given the low employment share of women.

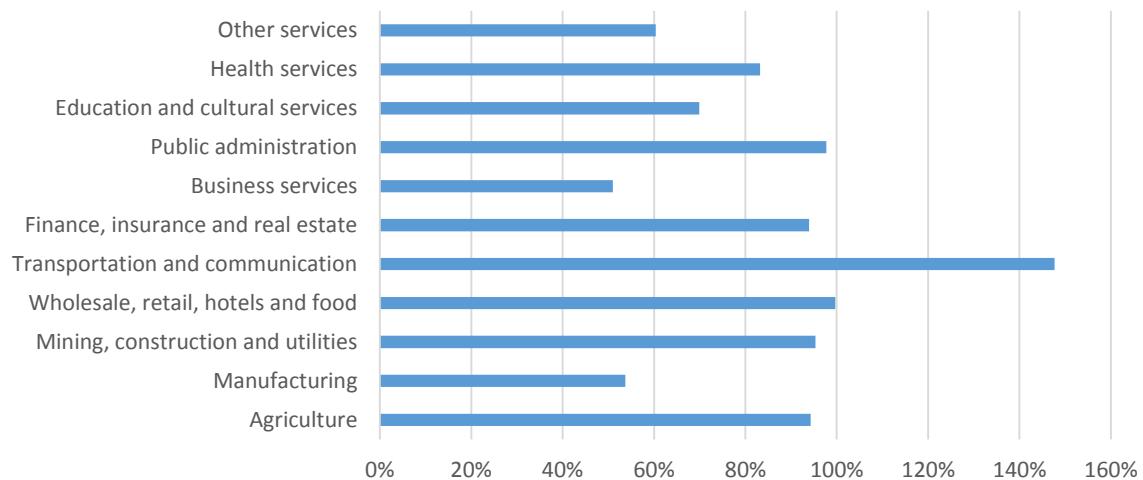
Source: Labour Force Survey, 2013-2014 and 2014-2015

³¹ UN Women: *Women's Economic Participation and Empowerment in Pakistan Status Report 2016*. This calculation examined the workforce as a whole using the Blinder-Oaxaca method.

³² P. Huynh: *Assessing the gender pay gap in Asia's garment industry*, ILO Asia-Pacific Working Paper Series, (Bangkok, 2016). This also adopted the Blinder-Oaxaca method for the wider textile, garment and footwear sectors.

³³ Two factors contribute to the higher percentage: the calculation is based on the percentage of the female wage instead of the male wage and it included the footwear industry as well as the garment industry.

Figure 3: Female-to-male wage ratio by sector



Source: Labour Force Survey, 2013-2014 and 2014-2015

Table 4: Share earnings in PKR and earnings ratio for workers (aged 15 to 64)

Occupation	% share of women	Female	Male	Earnings ratio (%)
Hand launderers and pressers	17	10,000	10,000	100
Generalist medical practitioners	29	55,000	58,000	95
Product garment designers	35	16,500	20,000	83
Garment related pattern makers and cutters	14	8,000	10,000	80
Tailors, dressmakers, furriers and hatters	50	6450	10,000	65
Crop farm labourers	55	4300	7740	56
Nursing professionals	58	16,700	38,000	44
Primary school teachers	33	10,000	23,000	43
Sewing, embroidery and related workers	64	3,870	10,000	39
Handicraft workers in textile, leather and related materials	51	3,440	12,000	29

Note: Adapted from UN Women: *Women's Economic Participation and Empowerment In Pakistan Status Report 2016*.

Female labour force participation

The majority (62 per cent) of Pakistan's estimated population of 189.19 million³⁴ lives in rural areas. The country's most populous cities are Karachi in Sindh (estimated population of 23.5 million); and Lahore (6.7 million) and Faisalabad (2.6 million)³⁵ in Punjab.³⁶ Some 42.3 per cent of employment is in the agricultural sector; 22.6 per cent in industry; and 33.2 per cent in the services sector. Most employment is in the informal economy which is estimated to make up around 72.6 per cent of the economy as a whole.³⁷

Figure 4: Employment status



Source: Labour Force Survey, 2013-2014 and 2014-2015

Women's participation in the labour force is among the lowest in the world, with women's participation at 26 per cent (as opposed to a male participation rate of 79 per cent).³⁸

The emphasis on women's primary role as homemakers and caregivers, coupled with high levels of early marriage,³⁹ discourage women from entering the workforce,⁴⁰ particularly as employed women shoulder the same burden of household-related unpaid work as do their non-employed counterparts.⁴¹

³⁴ Government of Pakistan, Bureau of Statistics: Annual Report Labour Force Survey, 2014-15.

³⁵ The Federation of Pakistan Chamber of Commerce & Industries: *Faisalabad regional profile*, <http://www.fpcci.com.pk/reports/Faisalabad%20Regional%20Profile.pdf> [accessed 10 Sep. 2015].

³⁶ M. Zhou: *Minimum wage setting, implementation and working conditions in the formal and informal sectors of the garment industry in Pakistan*.

³⁷ Government of Pakistan, Bureau of Statistics, Annual Report Labour Force Survey, 2014-15.

³⁸ The numbers in the Labour Force Survey annual report refer to individuals aged 10 and above whereas this analysis includes only those aged 15 and above.

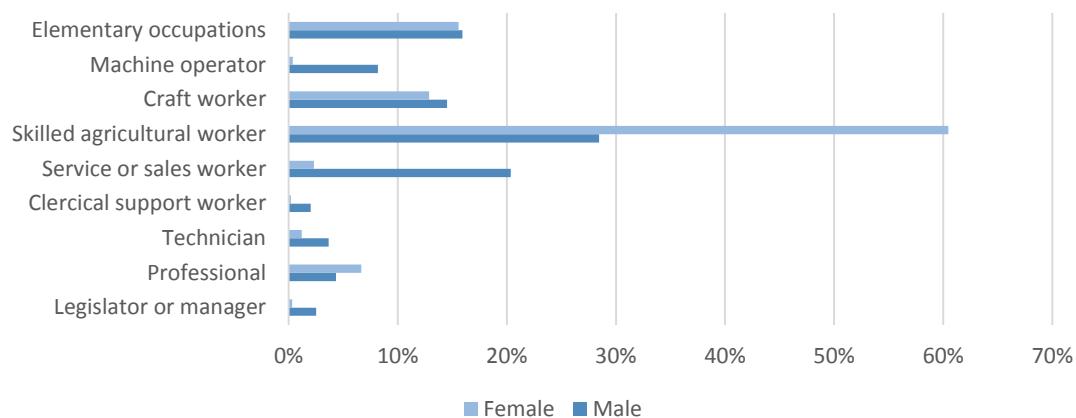
³⁹ F.G. Ferrant, P.M. Luca, and N. Keiko: *Unpaid Care Work: The missing link in the analysis of gender gaps in labour outcomes* (Organisation for Economic Co-operation and Development, Paris, 2014).

⁴⁰ R. Gunatilaka: *To work or not to work?: Factors holding women back from market work in Sri Lanka* (New Delhi, ILO, 2013).

⁴¹ UN Women: *Women's Economic Participation and Empowerment in Pakistan Status Report 2016*.

Women make up a smaller proportion of waged⁴² or own-account workers and are over-represented as “contributing family workers”, work that is often unpaid. Where women are paid, this is likely to be on a piece-rate basis. This trend has contributed to the prevalence of women in vulnerable employment.⁴³ Women are clustered in low-skilled, low-paid employment and make up only small percentages of those in professional categories and decision-making positions.

Figure 5: Occupational categories



Source: Labour Force Survey, 2013-2014 and 2014-2015



Workers in a denim factory in Karachi.

⁴² The figures are 53.3 per cent for men compared to 38.6 per cent for women.

⁴³ Some 74.6 per cent of women compared to 54.7 per cent of men in 2014-2015. Vulnerable employment here includes own-account workers and contributing family members

Chapter 4: Legal and policy frameworks in Pakistan

International obligations

Pakistan has ratified 36 International Labour Conventions,⁴⁴ including the Equal Remuneration Convention 1951 (No. 100); and the Discrimination (Employment and Occupation) Convention 1958 (No. 111). These require states to ensure that there is no discrimination in terms of wages, access to vocational training, access to employment in any occupation and terms and conditions of employment.⁴⁵ Additionally, in 1996, Pakistan became a party to the UN Convention on the Elimination of all Forms of Discrimination against Women, under which it commits to take all appropriate measures to eliminate discrimination against women in the field of employment, including in recruitment, training and remuneration.

Pakistan has endorsed the 2030 Agenda for Sustainable Development, Goals 5 and 8 of which focus on gender equality, non-discrimination and decent work. Targets cover women's paid work and also require states to recognize and value unpaid care and domestic work.

National frameworks and policies

Pakistan's Constitution guarantees non-discrimination in all aspects of life. The country's development and growth planning framework, Vision 2025, emphasizes the development of human and social capital and recognizes the need to increase women's participation in the economy and in decision making and to take strong action against harassment at work.⁴⁶ Vision 2025 also recognizes the importance of enhancing the quality of the labour force, in order to increase productivity in industry, and contains a commitment to increase spending on education, training and social protection and to provide "equal opportunities to all segments of the society".⁴⁷

Pakistan has a complex framework of legislation on labour-related issues. Prior to the 18th Amendment of Pakistan's Constitution in 2010, labour regulation fell under the remit of the federal government. Following devolution, labour-related issues became the responsibility of provincial governments. However, pre-existing legislation remains in place until replaced by individual provincial legislative measures.

⁴⁴ Thirty-three of these are currently in force.

⁴⁵ J. M. Iqbal: "ILO Conventions and Gender Dimensions of Labour Laws in Pakistan", in South Asian Studies, Vol. 30, No.1, January – June 2015, pp. 243-257.

⁴⁶ Government of Pakistan, *Pakistan 2025, One Nation, One Vision*, p. 38, Ministry of Planning, Development and Reform. Available at <http://pc.gov.pk/vision2025/Pakistan%20Vision-2025.pdf> [accessed 2 Dec.16].

⁴⁷ Government of Pakistan, *Pakistan 2025, One Nation, One Vision*, p. 46.

Regulation of wages has, until recently, been confined to the regulation of minimum wages for unskilled⁴⁸ and skilled⁴⁹ workers. The current minimum unskilled wage in each of the provinces is 14,000 Pakistani rupees (PKR) per month.⁵⁰ For the two years analysed, 2013-2014 and 2014-15,⁵¹ the statutory minimum wage rates were, respectively, PKR10,000 and PKR12,000.⁵²

More generally in relation to pay equality, the legal situation is uneven. No province has specific legislation dealing with pay inequality. Punjab, which has not re-legislated following devolution,⁵³ has attempted to introduce gender equality in relation to the payment of minimum wages through its notification system, which now provides that men and women shall receive the same minimum pay rates.⁵⁴ Sindh included in its Minimum Wage Act 2015 a penalty in relation to gender discrimination in the payment of minimum wages.⁵⁵ Neither provision adds to the pre-existing requirement that all workers receive at least the minimum wage and neither introduces a more general concept of gender pay equality.

Balochistan has not yet introduced post-devolution legislation, although the draft currently under consideration does make reference to the principle of equal pay for work of equal value⁵⁶ on the basis of gender.⁵⁷ Khyber Pakhtunkhwa has introduced a number of changes in relation to pay equality. It has adopted a similar (and arguably unnecessary) provision requiring equality in the payment of statutory minimum wages.⁵⁸ However, the Khyber Pakhtunkhwa Payment of Wages Act 2013 does contain a broad provision specifying equal pay for work of equal value on a number of grounds including gender.⁵⁹

Beyond wages themselves, Pakistan's legal framework does not provide for comprehensive protections against discrimination on the grounds of gender (or other grounds). However, the provincial legislative frameworks do contain a range of provisions relevant to gender equality and which impact upon women's working environments.

⁴⁸ The Minimum Wages for Unskilled Workers Ordinance 1969.

⁴⁹ The Minimum Wages Ordinance 1961.

⁵⁰ Notification No. SC (D-II)MW/(P-II), *Punjab Gazette*, 25 July 2016. Available at [http://www.punjablabour.gov.pk/article/detail/22%20\(accessed%202017](http://www.punjablabour.gov.pk/article/detail/22%20(accessed%202017) [accessed 17 Jan. 2016].

Notification No.7-3/2015/SO-II/(Dev):L&MD/1027-45/, 30 Aug 2016, (*Baluchistan Gazette*, forthcoming).

Notification No. MWB/UN-SKILLED/I(161)/3666 KPK Gazette (Reg No P.III), 30 Sep. 2016.

Notification No. L-II-13-3/2016, 14 Oct 2016 (*Sindh Gazette*, forthcoming).

⁵¹ The periods covered are July 2013–June 2014 and July 2014–June 2015 respectively.

⁵² From 1 July to 30 June. Rates are set by notifications which apply retrospectively.

⁵³ Punjab retains the West Pakistan Minimum Wages for Unskilled Workers Ordinance 1969, and the Minimum Wage Ordinance, 1961, as amended in 2014.

⁵⁴ Notification for Minimum Wages, *Punjab Gazette*, 2016. This does not add anything to the pre-existing requirement that a worker shall receive the statutory minimum wage.

⁵⁵ The Sindh Minimum Wages Act, 2015 s15(4).

⁵⁶ This is not defined in the draft text.

⁵⁷ The Baluchistan Payment of Wages Bill 2016.

⁵⁸ Notification No. MWB/UN-SKILLED/I(161)/3666 KPK Gazette (Reg No P.III), 30 Sep. 2016.

⁵⁹ S26, the Khyber Pakhtunkhwa Payment of Wages Act 2013.

A number of areas are defined as ones in which women's ability to work is restricted for their protection, such as work in the mines,⁶⁰ as well as prohibitions on women working on or near heavy machinery.⁶¹ Other legislation provides limitations in relation to women's working hours and work timings.

The Factories Act 1934, applicable in Islamabad, Punjab and Balochistan, limits women's working hours in factories to nine hours per day⁶² (men can be required to work ten in seasonal factory work)⁶³ and women can only be required to work between 6 a.m. and 7 p.m., prohibiting night work.⁶⁴ In Sindh women may only work in factories between 7 a.m. and 7 p.m., except where suitable transport arrangements are made for them, in which case they may work until 10 p.m.⁶⁵ Similar restriction apply in relation to women's work in shops.⁶⁶

Other legislation takes into account women's childbearing and child-rearing needs. Maternity leave and benefits are set out in a range of laws which seek to provide protection from dismissal, a period of maternity leave and paid maternity benefits.⁶⁷

There is no general provision for childcare facilities, although in factories employing more than 50 women, a suitable room needs to be provided for crèche facilities for children under the age of six. The Sindh Factories Act 2015 applies to all factories employing one or more women.⁶⁸ In Khyber Pakhtunkhwa, shops and other establishments employing more than five women are required to provide a separate washroom and a room for pre-school and infirm children.⁶⁹ A similar provision applies to shops and establishments employing more than 25 women in Punjab.⁷⁰

Pakistan's Labour Policies of 2002 and 2010 and the 2005 Labour Protection Policy, which predate devolution, recognize the need to improve women's work opportunities and to improve workplaces. The policies reiterate the Government's commitment to work towards the implementation of ILO Conventions, with the 2005 policy stating that "minimum and above minimum wages will be paid on the basis of equal pay for equal work".

The 2005 policy, while not legally enforceable, recognized for the first time the importance of sexual harassment and violence against women in the workplace. The Protection Against Harassment of Women at the Workplace Act, 2010, was a significant

⁶⁰ S23C, the Mines Act 1923, Mines (Prohibition of Female Labour Underground) Ordinance 1937.

⁶¹ S32, 33-F, 33-Q (4-b), 45, the Factories Act 1934.

⁶² S45(1)(a), the Factories Act 1934.

⁶³ S36, the Factories Act 1934.

⁶⁴ S45(1)(b), the Factories Act 1934.

⁶⁵ S66(b), the Factories Act 1934.

⁶⁶ The West Pakistan Shops and Establishments Ordinance 1969 (Islamabad, Punjab and Balochistan); the Shops and Establishments Act 2015 (Khyber Pakhtunkhwa); and the Sindh Shops and Establishment Act 2015.

⁶⁷ The Mines Maternity Benefits Act 1941 and the West Pakistan Maternity Benefit Ordinance 1958; the Provincial Employees Social Security Ordinance 1965; the Civil Servants Act 1973 (Revised Leave Rules 1980); the Khyber Pakhtunkhwa Maternity Benefits Act 2013.

⁶⁸ S53 (1), the Sindh Factories Act 2015.

⁶⁹ S36(2), the Khyber Pakhtunkhwa Shops and Establishments Act 2015.

⁷⁰ S10-A (1), the Punjab Shops and Establishments Ordinance 1969.

step forward, providing a mechanism to improve workplaces for women. It set out the right not to be harassed and to complain to a workplace inquiry committee and the ombudsman.⁷¹

In November 2016, the Government of Sindh approved the Home-Based Workers Policy. While not legally enforceable, this is an important step in recognizing the rights of a large section of the female workforce engaged in the informal economy. It is hoped that other provinces will draft similar policies and that, ultimately, home-based workers will receive legislative protections.

Implementation and enforcement of laws

Stakeholders agree that, while gaps may be present in the statutory frameworks, it is the lack of implementation that leaves many female workers at risk in the workplace and disadvantaged in the labour market. Previous ILO research⁷² and stakeholder feedback indicate that legal protections are often ignored in some formal sector workplaces and across the informal economy. The research observed widespread breaches of statutory protections ranging from minimum wage protections to working conditions. For example, despite legislative maternity protections, discrimination on the basis of marital status, pregnancy and motherhood is prevalent.

The emergence of global supply chains stretching across national borders, from richer to poorer countries, has presented a forceful challenge to the traditional model of state regulation. The textile and garment sector contributes significantly to Pakistan's exports,⁷³ particularly to the European Union and the United States.⁷⁴ Large international brands and retailers sourcing from Pakistan are conscious of both quality control and reputational risk should international labour standards be breached. With this in mind, most large international brands and retailers source from a relatively small number of compliant suppliers, which are subjected to strict auditing requirements and often source from cotton-to-carton vertically integrated suppliers, ensuring that quality and standards can be guaranteed. This dynamic provides a major driver towards compliance with national and international labour standards. However, beyond this small circle of top tier suppliers, there are high levels of non-compliance.

The majority of labour standards are enforced through provincial labour inspection systems.⁷⁵ In 2015 there were 334 labour inspectors covering the country.⁷⁶ Labour inspection departments are understaffed and underfunded. They lack capacity to conduct effective monitoring and work under often out-dated and at times

⁷¹ Ss3 and 8 of the Protection Against Harassment of Women at the Workplace Act 2010.

⁷² M Zhou: *Minimum wage setting, implementation and working conditions in the formal and informal sectors of the garment industry in Pakistan*.

⁷³ L. Stotz: "Facts on Pakistan's Garment Industry: Factsheet Pakistan", Clean Clothes Campaign. Available at <https://cleanclothes.org/resources/publications/factsheets/pakistan-factsheet-2-2015.pdf> [accessed 18 Oct.16].

⁷⁴ *Pakistan Economic Survey 2015-16*.

⁷⁵ The Protection Against Harassment of Women at the Workplace Act 2010 has its own enforcement procedure through a specially constituted Ombudsperson's Office.

⁷⁶ Occupational Safety and Health: Legal Framework and Statistical Trend Analysis, Ministry of Overseas Pakistanis and Human Resource Development 2015.

contradictory legislation.⁷⁷ Some progress has been made, with provincial Labour Departments working to mainstream gender in labour inspections and adopting a gender responsive labour inspection toolkit.⁷⁸

Breaches of national labour standards are, ultimately, enforceable through the judicial system. The labour judiciary comprises the labour courts, labour appellate tribunals and the National Industrial Relations Commission. The court system is regarded by stakeholders as slow, costly and generally inaccessible to the majority of workers.⁷⁹ The environment of the courts and attitudes towards women in public spaces make it additionally difficult for women to file and pursue claims.⁸⁰



Female administration and human resources officer employed at a factory in Lahore.

⁷⁷ ILO: Pakistan Decent Work Country Profile (2015). Available at http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-islamabad/documents/publication/wcms_316668.pdf [accessed 10 Nov.16].

⁷⁸ ILO: GE4DE news, Vol.#5 (2012). Available at http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-islamabad/documents/publication/wcms_212877.pdf [accessed 17 Jan.17].

⁷⁹ ILO stakeholder consultation on the gender pay gap in the garment industry, Lahore, 22 Nov. 2016.

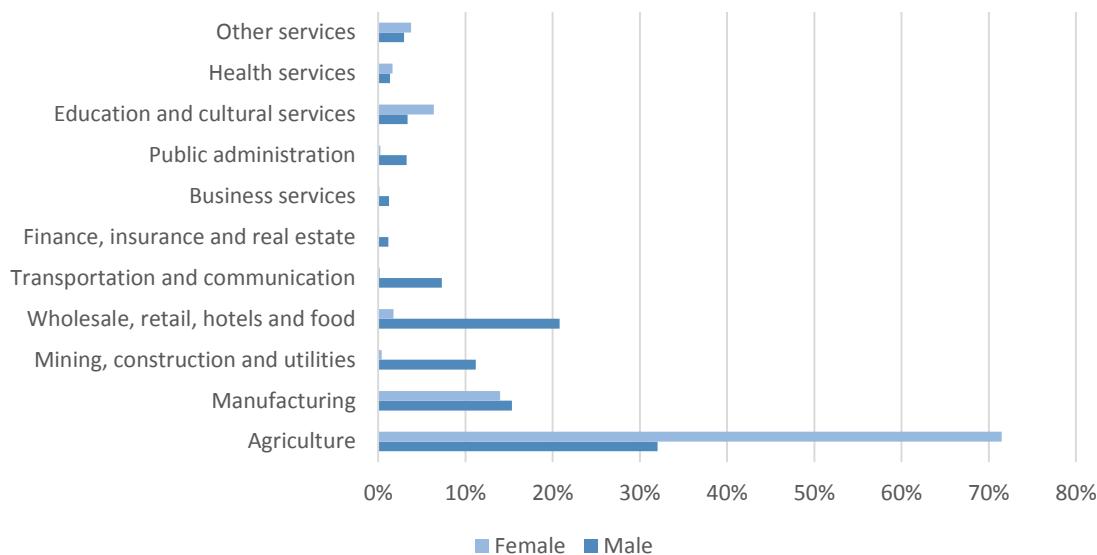
⁸⁰ Second meeting of the Working Group on “Women & Legislation”, 2009. Available at <http://www.ips.org.pk/what's-new/srgi/982-srgi-working-group-on-women-a-legislation-holds-its-2nd-meeting> [accessed 17 Jan.17].

Chapter 5: The gender pay gap in the garment sector in Pakistan

Women in the garment sector

After agriculture, the manufacturing sector is the next major employer of women. Within manufacturing, the textile and garment sector is the most significant for Pakistan's economy.⁸¹

Figure 6: Employment shares by sector



Source: Labour Force Survey, 2013-2014 and 2014-2015

The complete textile and garment value chain exists in Pakistan: from cotton production to the production of made-ups and garments. The garment sector is an important part of Pakistan's export profile, accounting for approximately 9 per cent of GDP and over 60 per cent of all exports.⁸² More than 15 million direct and indirect jobs are generated by the textile and garment industry, which employs around 40 per cent of the non-agricultural workforce.⁸³

⁸¹ N. Jamal: "Textile Industry and Labour Compliance: One Year After GSP Plus", in *Status of Labor Rights in Pakistan: The Year 2014*, p. 47; and Pakistan Ministry of Finance: *Pakistan Economic Survey 2014-15*.

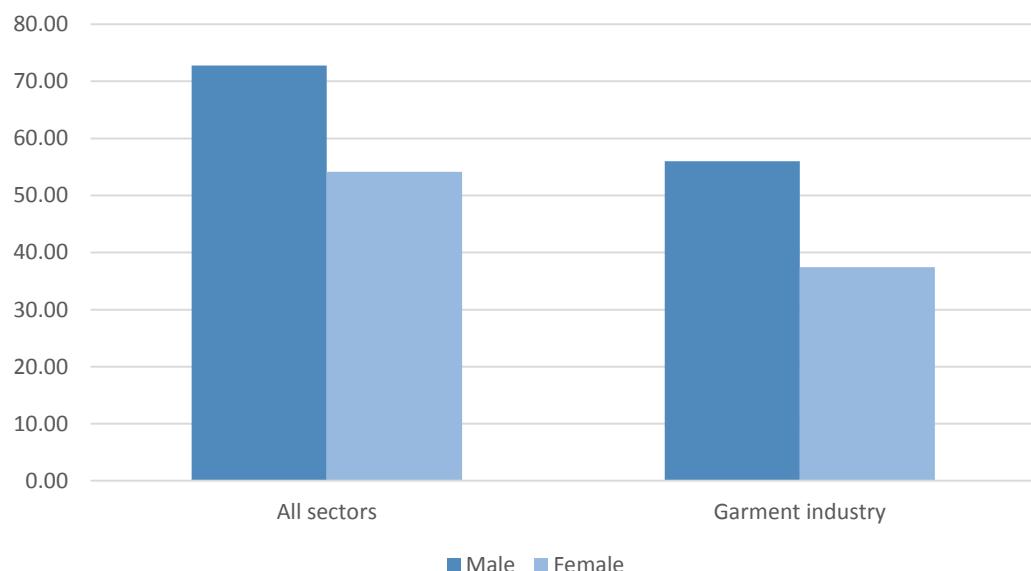
⁸² L. Stotz: *Facts on Pakistan's Garment Industry, Factsheet Pakistan*.

⁸³ N. Jamal: "Textile Industry and Labour Compliance: One Year After GSP Plus" in *Status of Labor Rights in Pakistan: The Year 2014*, p. 47; and Pakistan Ministry of Finance: *Pakistan Economic Survey 2014-15*.

Labour force statistics from 2014-2015 show that 26 per cent of all individuals employed in the manufacturing sector work in garment production. For women, 55 per cent of employment in the manufacturing sector is in the garment industry; for men the equivalent figure is 19 per cent.

Experiences from Bangladesh, Cambodia and Malaysia show that job creation in the export-oriented garment sector has been particularly favourable for women, who previously had few income opportunities.⁸⁴ The garment export sector is seen to pay women higher wages than they could earn elsewhere.⁸⁵ However, analysis of Labour Force Survey data between 2013 and 2015 shows that one of the highest pay gaps is found in the garment sector, 33 per cent, well above the average gap across all sectors (26 per cent).

Figure 7: Average hourly wages (PKR)



Source: Labour Force Survey, 2013-2014 and 2014-2015

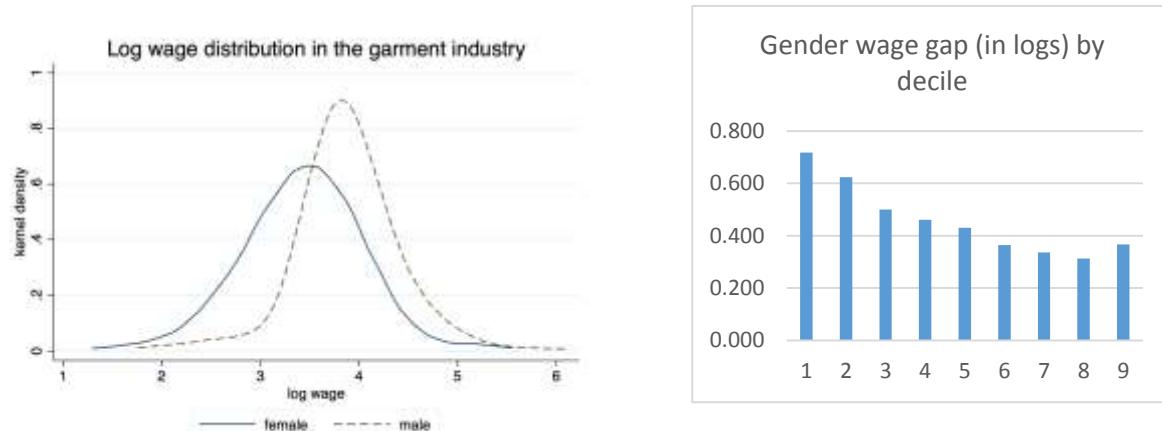
⁸⁴ Overseas Development Institute: *The Role of Textile and Clothing industries in Growth and Development Strategies* (2008).

⁸⁵ G. Lopez-Acevedo and R. Robertson (eds): *Stitches to Riches? Apparel Employment, Trade, and Economic Development in South Asia* (World Bank, Washington, DC, 2016).

The gender pay gap varies across wage levels, with higher gaps at the lower end, indicating that women earning least are the most disadvantaged by their gender (see figure 8).

The pay differentials revealed by the quantitative examination have been explored through qualitative research to understand in more detail how and why they emerge and the different explained and unexplained factors that cause them.

Figure 8 (a, b): Log wage distribution and gender wage gap by decile



Occupational sex segregation

The Labour Force Survey shows a high degree of occupational segregation in the garment sector. The first level of segregation is between formal and informal employment, with women predominant in the latter. Within the formal sector women are overwhelmingly engaged in production jobs, whereas men are more evenly distributed between production and managerial, administrative, finance and merchandising jobs.

The Labour Force Survey also demonstrates that women engaged in the garment sector are more likely to be home-based workers (94 per cent of the women compared to 7 per cent of the men) and to work as a contributing family member or on their own account (75 per cent of women compared to 38 per cent of men).

The types of work that men and women commonly do also differs, with women almost exclusively employed as craft workers, predominantly as tailors and sewers. Notably, in the sample there are no female higher-level managers or professionals, the highest paid occupations.

Figure 9: Occupations in the garment industry

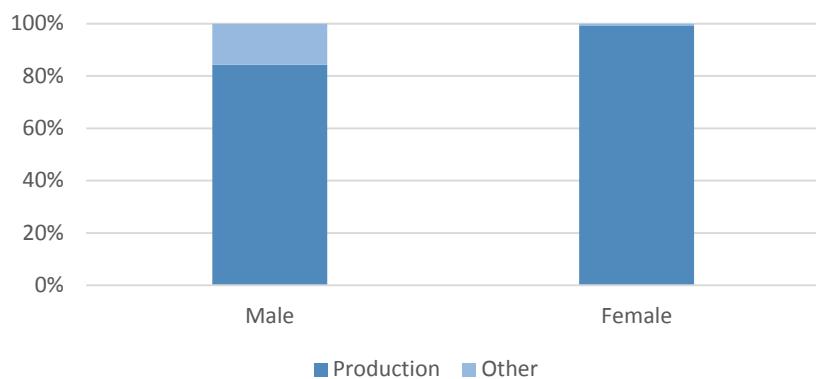


Figure 10: Employment status in the garment industry

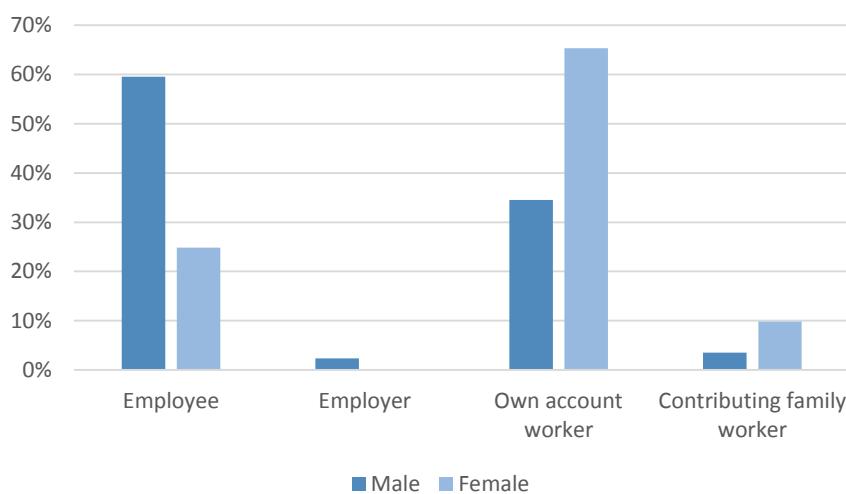
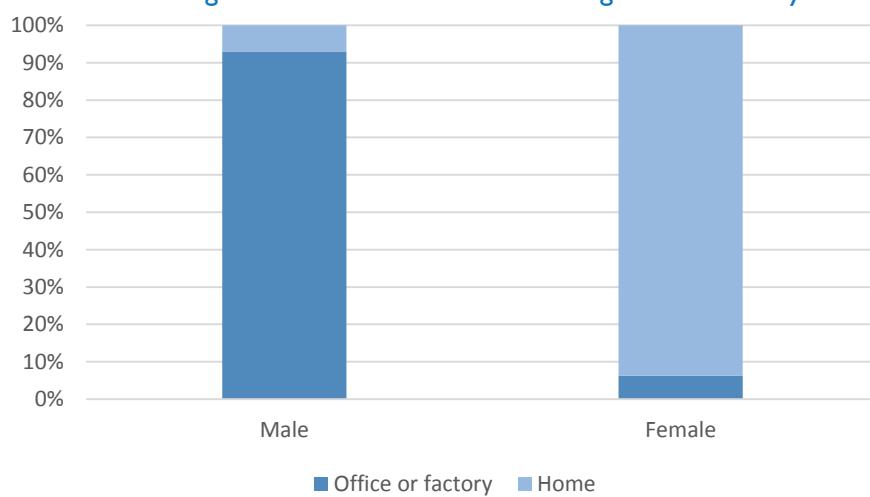


Figure 11: Location of work in the garment industry



Source (figure 9, 10, 11): Labour Force Survey, 2013-2014 and 2014-2015

Factory workers

The field research supports these findings on segregation. Larger, formal sector, factories tend to employ more women as a proportion of their workforce. Within this workforce there is clear horizontal segregation, where women are confined to jobs in the lower levels of the production chain rather than in supervisory, managerial and technical roles. There is also evidence of vertical segregation. Women are concentrated in the stitching department, mostly in slightly lower paid roles in trimming, marking and quality checking, while more complex tasks, such as machine stitching are largely occupied by men.

Similarly, washing and dyeing, which pay higher wages than other work on the factory floor, are seen as unsuitable for women because of high temperatures in the sheds and the heavy loads. Cutting also pays more, but involves heavy machinery and risk. Despite the provision of protective gloves, employers indicated that women were not interested in this type of work.

The research found a small number of women working as supervisors in some of the larger, formal sector, factories. Interestingly, where women are working as supervisors, employers regard them as equally capable.

Table 5 illustrates salary ranges for different work types. The women interviewed as part of this study were employed in the jobs indicated (shaded), which were generally those paying least.

Table 5: Jobs and wages in the ready-made garments sector

Department	Job	Salary Range (monthly, PKR)	
Knitting	Knitting Master	40,000	40,000
	Knitting Machine Operator	15,000	18,000
	Quality Control Auditor	16,000	16,000
Dyeing	Dyeing Manager	180,000	300,000
	Dyeing Master	60,000	80,000
	Dyeing Machine Operator	17,000	20,000
Designing / Product Development	Computer aided design experts	18,000	30,000
	Pattern Drafting Maker	10,000	25,000
	Sampling Expert (Assistant)	17,000	22,000
Cutting	Merchandiser	17,000	30,000
	Cutting Master	50,000	120,000

Department	Job	Salary Range (monthly, PKR)	
	Assistants	35,000	50,000
	Cutting Machine Operator	16,000	18,000
Embroidery	Embroidery Designer	15,000	50,000
	Machine Operator	13,000	16,000
	Mechanics	20,000	30,000
Stitching	Production In charge	25,000	45,000
	Supervisor	18,000	25,000
	Line Supervisor	15,000	18,000
	Quality Checker	14,000	18,000
	Machine Operator	12,000	25,000
	Sewing Machine Mechanic	20,000	30,000
	Helper	12,000	13,000
Laundry / Washing	Washing Master	100,000	100,000
	Laboratory Assistant	17,000	30,000
	Washing Machine Operator	14,000	17,000
Finishing and Packing	Packing In Charge	25,000	28,000
	Thread Cutter	12,000	13,500
	Packing Helpers	12,000	13,000
Quality Control	Supervisor	16,000	22,000
	Assistant Quality Control Auditor	12,000	15,000
	Inline Quality Checker	14,000	18,000
	End of Line Quality Checker	14,000	18,000

Note: Adapted from Pakistan Skills Development Fund, 2015, Sector Skills Study, Garments Sector <http://psdf.org.pk/wp-content/uploads/2014/10/GarmentsSectorReportFinal.pdf>

Home-based workers

The ILO in Pakistan has recently conducted detailed research on supply chains in informal textile and garment sector in Karachi, Pakistan, focusing on the work and pay of home-based workers.⁸⁶ That research found women home-based workers were concentrated in poorly paid activities (cropping, stitching, hand-beading), dependent upon contractors and middlemen to obtain work and chronically underpaid (for example, beadwork pays PKR 15.68 per hour as against a statutory minimum wage for unskilled work of PKR 76 per hour⁸⁷). This research observed similar trends.

Men act as middlemen or contractors distributing home-based work to women engaged in poorly paid tasks. Where men are themselves home-based workers, they are engaged in complex embroidery and embellishment such as machine beading, which requires more advanced skills and is better paid.

Home-based workers are not viewed by the stakeholders, including government, as falling within legal protections in relation to minimum wages and working conditions. Child labour is also not uncommon. Despite these drawbacks, many women prefer to remain in home-based work rather than move into better-paying, more regular work in factories. Work outside the home is seen as unsafe and women are limited by the lack of safe transport.

Work interruptions

All the women interviewed had less overall work experience than men interviewed, except in cases where both had recently started working. Women had either joined the workforce later in life, in response to economic constraints or, having begun work, had left within a few years to get married, have children or take care of the household and returned to work later. Older women, especially those who started work out of economic necessity, had more years of work experience than younger, unmarried women, but their total work experience was still less than that of most men, who began work at an early age and remained in the workforce. Men's work interruptions were brief, usually only to change jobs in search of higher wages.

It is likely that work interruptions contribute to the gender pay gap. Although the Labour Force Survey does not include information on work experience, it is possible to infer how differences in work experience affect wages by looking at average wages by age. It can be seen that for men wages tend to increase with age, while for women they stagnate, possibly because marriage or children interrupt their working lives.

⁸⁶ M. Zhou: *Pakistan's hidden workers: Wages and conditions of home-based workers and the informal economy* (Bangkok, ILO, forthcoming).

⁸⁷ M. Zhou: *Pakistan's hidden workers*.

Box I

Musarrat, Lengha Centre, Satiana

When Musarrat got married 24 years ago, an ongoing feud between two local clans forced the new bride into hiding. After several years of repeatedly moving home to escape the threat of violence, she convinced her husband that a change was needed.

"I got together my entire dowry – furniture and jewellery – and put it all on sale. My parents were not well off, so they hadn't given me a lot, but with the money I got by selling it, along with a bit of savings my husband had, we moved away from the village to Satiana [a town near Fasialabad] and started a new life together."

Musarrat bought a piece of land and built a basic home, where the family still live today. Her husband set up a small electronics shop, while Musarrat began to use sewing skills she had learned while working in a factory before she got married. She started sewing clothes for women in the local neighbourhood. "I went from door to door; introducing myself, telling people I could sew, and slowly I started getting orders."

When women in the area saw how skilled Musarrat was, they began asking her to teach them to sew. "People wanted to learn, but they weren't willing to pay me, even though I was only asking for PKR30 (\$0.30) a month. I would let girls come to my house and even though I needed the money, I taught many of them for free."

Musarrat's networks in the neighbourhood brought her to the attention of a local insurance company. They hired her as a salesperson on commission.

Musarrat saved money, bought another plot of land adjacent to her house, and built some more rooms and an upper storey. More girls started training with her to learn sewing skills, and gradually, the training centre turned into a production centre.

"I expanded from just stitching into embroidery work. I started training girls on 'adda' work [embroidery on a frame] and then I was able to take orders for party and wedding-wear. Before, people had to travel far away to get good-quality embroidered work, but we started offering the same service here in Satiana. Now people travel from far away to come and have things made by me. Even from America!"

Musarrat employs up to 20 women at any one time, depending on the level of orders. Most of the work is done at the centre, but smaller pieces can be completed at home if women prefer.

"I always prefer to train and give work to those women who have no one else to turn to. It's my way of helping them earn a respectable living and provide for their family. I usually only employ women because they need my help more, but I also have employed a disabled boy to help me in the centre too."

The Musarrat Lengha Centre now comprises a showroom, production unit and training centre, as well as the rooms where Musarrat and her family live. Musarrat has also continued her work in insurance and has been promoted to Sales Manager, now earning PKR150,000 (\$1,500) a month. She is an active member of HomeNet Pakistan, helping to organize home-based working women in Satiana and make them aware of their rights. Musarrat is also the local representative of the Aman Committee, a platform to help women fight against domestic violence.

"We need more small centres like mine. If we want women to come out and get good work, they will only be able to do so in centres like mine that are close to their homes, run by people they know. We live in a society where we don't even call out a girl's name in public to keep her honour. We live in a society where if someone even says something negative about your sister or daughter going out of the house or talking to men it can lead to murder. The only way to change this is by slowly bringing women into public, introducing them to work, and as they earn money and contribute to the household, they will be able to change their husband's thinking. Look at me!"

Table 6: Average hourly wage in the garment sector

Age	Average wage (PKR)		Wage ratio (%) Female/Male
	Male	Female	
15-19	39.14	31.42	80
20-29	49.02	38.21	78
30-39	62.94	38.81	62
40-49	75.99	38.13	50
50-59	66.19	42.53	64
Total Average	56.00	37.44	67

Source: Labour Force Survey, 2013-2014 and 2014-2015

The majority of home-based women workers had worked for longer than their counterparts in factories, as they were better able to combine productive and household work. However, the length of their experience appeared to have little effect on wages. In fact in some cases, piece-rates for home-based stitching work had not kept pace with inflation and represented a fall in real income.⁸⁸

Marriage

The field research showed that marriage is one of the most important factors governing women's decision to work. A large number of women working in factories were young and unmarried. Many were working to save for their weddings and had no intention of continuing work after marriage. All the married women interviewed said they were doing so with the permission of their husbands⁸⁹ and women who were interested in continuing to work after marriage said they would only do so if their husbands and in-laws permitted. Interestingly, almost all of the women indicated that they would not work if family finances permitted. Employers confirmed that women left jobs, even senior ones, when they married.

⁸⁸ M. Zhou: *Pakistan's hidden workers*

⁸⁹ A number of home-based workers in Karachi reported distressing stories of domestic violence because they were working, especially outside the home. However, economic necessity meant they had to persevere and, as they became financially stronger, the abuse from their spouses also decreased.

Box 2

The challenges of childcare

The Pakistan Knitwear Training Institute (PKTI) was established in 1994. However, it was not until 2012, supported by an ILO-funded training programme, Gender Equality for Decent Employment (GE4DE), that women were admitted to courses on knitting machine operations, fancy stitching, and pattern drafting and cutting. More than 200 women were trained; almost all found work and some set up small stitching and designing businesses from home.

Mr Tayyab Mir, Principal of PKTI, was closely involved in the programme. “One thing that came out clearly was that women were willing to come to training and they participated very enthusiastically and learned quickly, but they were always worried about their children. Had they eaten? Were they being looked after properly? Had the cough in the morning got better?”

He realized that the female staff at the college faced similar problems. “We had never really thought about that aspect of their work. Childcare was always treated as a private matter for women to deal with, not something that PKTI as an institute or we as its managers could do anything about. But the association with the GE4DE programme changed our thinking.”

In 2012 the Punjab Government announced the Punjab Daycare Fund. Organizations were invited to submit feasibility plans for childcare facilities and, if successful, the government would fund all the costs of establishment and salaries for the first year of operation. In return, organizations had to meet quality benchmarks in terms of space, staff and facilities, which were monitored through periodic checks.

PKTI decided to apply. After a long assessment process, it was awarded funding and in March 2015 the daycare centre was officially inaugurated by the Minister for Women Development, Punjab. In the space of just three years, PKTI went from being an institute which had never admitted women to one which actively supported their participation and provided high-quality, low-cost, childcare.

“The first batch of women we trained told others about the programme and when they saw how they were now working and earning money, more women wanted to join PKTI too. Since then up to 80 per cent of all our trainees are women.”

Currently, PKTI has 15 to 20 children in its daycare centre. Most of the children enrolled in the daycare centre are the children of trainees and staff whose places are free of charge. But as people in the neighbourhood heard about the facility, PKTI received requests from other working women whose children are now admitted at a cost of PKR5,000 (\$50) a month.

“I would estimate that because of this daycare centre many women have been able to access training and find work. The challenge is however, the lack of daycare facilities in workplaces. Unless factories also have daycare facilities, or the government subsidizes childcare services, women will continue to face this problem, and our efforts will not achieve the results we want to see with more women working. PKTI has shown how important it is to provide low-cost, high-quality childcare services. It is up to other employers and the government to take note!”

Caring responsibilities

The responsibility for housework, childcare and caring for the sick or elderly falls primarily on women. While there were some reports of husbands helping with domestic work, women working outside the home relied on other women (mothers, mothers-in-law or sisters) to help take care of household responsibilities.

One of the most commonly cited reasons for being a home-based worker, even when

remuneration was low compared to formal work, was that this allowed women to take care of household responsibilities and children. For some factory workers, who have to commute to work, the dual responsibility of home and work puts tremendous pressure on their health and welfare.

All of the large factories visited had allocated a room where children could remain with a female attendant. Very few women reported using the facility, perhaps due to the basic facilities and untrained staff. Smaller firms did not have any crèche facility, regardless of the number of women employed.

Part-time work

There is no concept of part-time work in the garment sector in Pakistan. All the respondents interviewed, whether employed in factories or at home, were employed full-time. Home-based workers regularly worked between eight and ten hours a day, when work was available.⁹⁰ Part-time employment as a matter of choice did not emerge as an option.

Although there was some interest in part-time working among women workers, employers feared it would add to labour costs and complicate human resources management. Government officials also felt that labour laws, including those on social security, govern workers in full-time work and that part-time work would complicate or obstruct implementation of existing laws and protections.

Education and training

Education

The low level of education among women contributes substantially to the gender pay gap as the returns on education are substantial. The Labour Force Survey indicates that primary and middle school education increases earning potential on average by 9 per cent for men and 5 per cent for women. Higher levels of education have a far greater impact on wages, particularly for women. Matriculation and intermediate education has an 11 per cent return for men and 18 per cent return for women. A college education increases earning potential further, with an average 86 per cent return for men and 145 per cent return for women.

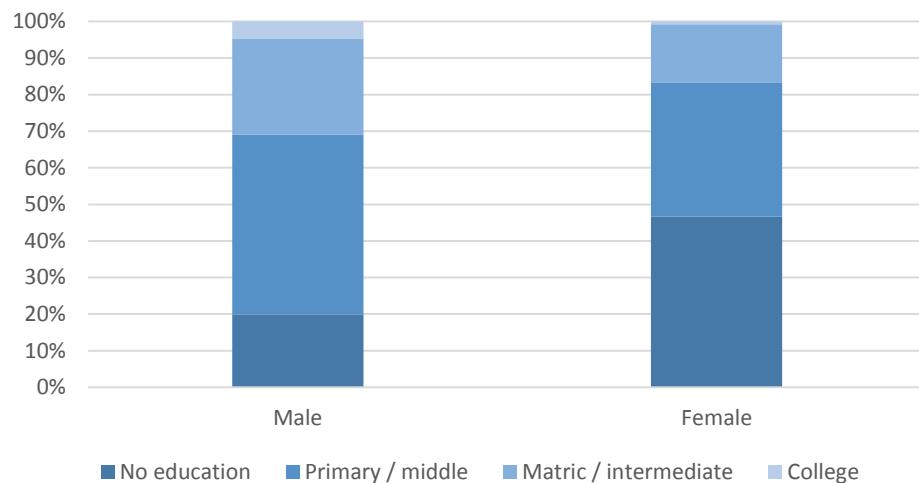
The fact that a smaller proportion of women have access to middle and higher education (see figure 12), limits their access to these higher wage returns.

The field research confirmed that women with low levels of education were confined to basic and poorly paid tasks. In factories, this means working in areas such as trimming and checking. Supervisory level jobs or middle management jobs require numeracy and literacy skills and exclude those with poor skills.

However, some women with matriculation or intermediate level education were also working on the most basic tasks. This may indicate that the education system does not impart skills and knowledge relevant to employment or else that there is a dearth of decent work opportunities regardless of skill level.

⁹⁰ M. Zhou: *Pakistan's hidden workers*. This research indicated an average working day of seven hours.

Figure 12: Educational attainment in the garment industry

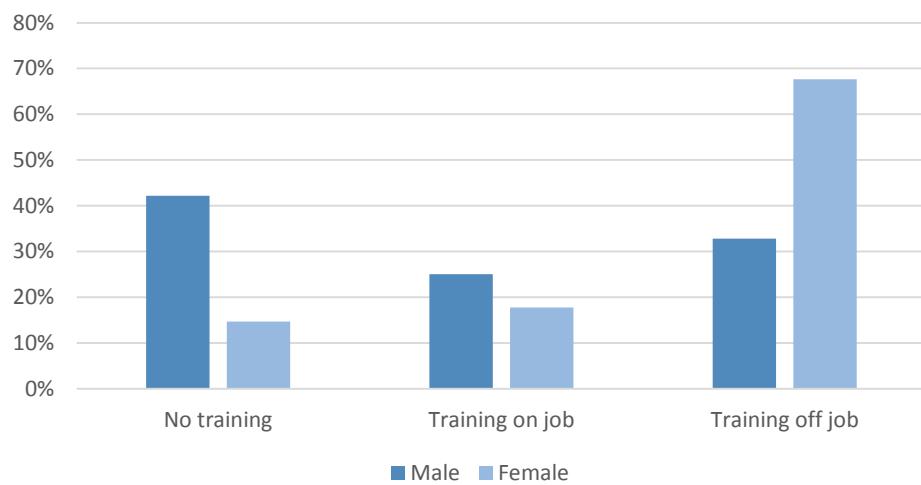


Source: Labour Force Survey, 2013-2014 and 2014-2015

Training

The Labour Force Surveys indicate that most garment workers, and particularly women, receive off-the-job training. The majority of workers who receive on-the-job training are male.

Figure 13: Vocational training in the garment industry



Source: Labour Force Survey, 2013-2014 and 2014-2015

The Labour Force Survey indicates that the average financial returns on training vary by type and by gender. On-the-job training has a far larger average impact on wages, with a return for men of 13 per cent and for women of 15 per cent. By contrast, off-the-job vocational training, although more prevalent, has a far lower average impact on wage returns: 2 per cent for men and 7 per cent for women.

The fact that off-the-job training, such as that in TVET institutes, has little impact on wages suggests that it might not be particularly relevant to the skills needs of the garment industry, highlighting the need for practical training on modern machinery.⁹¹ The only training schools that employers considered relevant were those in which employers were directly involved, such as in-house training schools the government-owned Pakistan Readymade Garments Technical Training Institute in Lahore and Karachi, which are run and managed by the Pakistan Readymade Garments Manufacturers and Exporters Association.

Informal skills development

It was reportedly fairly common for men to use their spare time to work with other men operating other machines in order to learn new machine skills. This type of informal workplace-based learning is not easily accessible to women, limiting their ability to access better paid more complex work. There were very few examples of women who had graduated to more complex machines in this way.

A number of women did express an interest in skills improvement and several employers, training providers and respondents from brands said they would be interested in piloting programmes aiming to enhance the skills of existing workers, especially women, horizontally, such as on new types of machines or vertically, such as training machinists to become supervisors. The Labour Force Survey data indicates that these types of initiatives could have a significant impact in improving pay.

The stories of Shaista Ali and Aarifa Anis (below) show how important professional guidance and training are and, above all, how much hard work and determination are needed to overcome the many obstacles women encounter along the way.

⁹¹ ILO: *Skills for Improved Productivity, Employment Growth and Development*, Report V, International Labour Conference, 97th Session, Geneva, 2008.

Box 3

Breaking stereotypes

Shaista's story

"I was just like any ordinary woman, worrying about completing my Master's degree, getting married, and then doing everything to keep my marriage going."

In 2004 Shaista got divorced and found herself, at the age of 30, having to fend for herself and her one-year-old son.

"I took the first job I found in a local garment factory. Even though I had an MBA degree from a Textile college in Lahore, I was only offered the job of a supervisor, at just PKR4,000 (\$40) a month."

While she was working there, Shaista found out about a course on merchandising, but she was refused entry because the college admissions officer told her that merchandising was not an area suitable for women.

Soon after, a neighbour introduced Shaista to a local Technical Training Institute (TTI) and she succeeded in enrolling on a merchandising course. The institute offered merchandising as an evening course so that people like Shaista, who were already working, could attend.

"It was difficult for me, as I would be free from the factory at 5 o' clock in the evening and at 6 my class would start – till 10 o' clock at night. This was my routine for three months. My family helped look after my son while I was working and studying. Without them it would have been impossible."

Just after the training ended in 2005, managers at the TTI helped Shaista find her first job as a merchandiser, earning PKR15,000 (\$150) a month.

After three years she successfully applied for a job as department manager in another factory and was paid PKR30,000 (\$300) a month. But the factory was too far away from her home and commuting was difficult, so she decided she had to leave.

Luckily, she was immediately offered a job as a Research Officer. While she was working, Shaista completed a course on Production Planning. That course, in particular, helped Shaista find a new job and she eventually became head of department in the factory where she now works.

"When I joined, I was offered a salary of PKR30,000 a month, but I was shocked to discover that the person working here before me, a man, had been getting PKR70,000 a month, as well as a company car! When I complained, the management did not pay much attention."

Within two years, Shaista had been promoted and at the time of writing, five years after she joined, her salary had increased to PKR68,000. She also has a company car and phone and has been abroad on an official trip.

But things have recently become complicated. Shaista described how one of her senior colleagues started making inappropriate advances, asking her out and commenting on her appearance. She complained to her management, but no action has yet been taken. In fact, she is under pressure to withdraw the complaint and the person she has complained against is making things difficult for her.

"I have worked so hard to get to this position. I sometimes feel I have given more time and dedication to my job than I have to my son even. And now that I want my company to support me I am not sure they will. I don't want to leave my job here, but the situation is forcing me to think about it."

Aarifa's story

In 2010, 18-year-old Aarifa decided to get a job and contribute to the family's income. "Every little bit helps, so even the PKR6,500 a month I was getting in my first job as trainee machine operator, was appreciated by my family."

But Aarifa was determined to aim higher. A year later she enrolled in a Training of Trainers course offered by the United Nations Development Programme (UNDP) and became an industrial trainer in the same factory where she had once been a trainee. Over the next four years she worked as a trainer in four different factories, her salary rising from PKR8,000 (\$80) to PKR17,000 (\$170) a month.

"I enjoyed training, and I am glad I trained so many people and helped them find jobs, but I had to work on the factory floor which was very noisy and it was affecting my health. When my old factory offered me a job as Assistant Manager in the Industrial Engineering Department, with a monthly salary of PKR22,000 (\$220) I was delighted. There were not many women at this level, so I was honoured to be selected."

Aarifa's training and experience as a trainer had given her the management skills she needed and with the help of supportive peers she quickly learned on the job. Within a year, Aarifa had earned a salary raise and been offered a challenging assignment to help implement the new Quality Management System in the factory.

"Some of the women and men I trained didn't even know how to sign their names. It was the first time they had used a computer. Some men did not like having a woman as their in-charge. At first they wouldn't cooperate with me, or they would be rude, but I had experience of dealing with people. I just remained calm and polite, and eventually the problems reduced."

In 2015 a new opportunity came up. "I have become a good trainer and manager, so I was very happy when I was offered a job as Assistant Manager (Training and Development) at a famous factory. Aarifa is now earning PKR65,000 a month and training women and men for their careers in the garment sector.

"It is not that long ago that I was a trainee like them and now I am a manager. It is my duty and delight to help women like me take their first steps on this journey."

Unionization and collective bargaining

Pakistan generally has low trade union density.⁹² The field research found this low level of unionization was reflected in the garment sector. None of the factories visited for this research had recognized trade unions in place and none of the workers interviewed were or had ever been members of a trade union, nor did they wish to be. Most were unsure of the role of unions and associated unions with causing trouble.

Employers were also critical of trade unions, citing disruption and lack of genuine representation. In large factories, employers felt that the working conditions they provided were satisfactory and that there was no worker demand.

All of the registered factories visited had established works' councils, which, under industrial relations laws, are mandatory for factories employing more than 50 workers.⁹³ Some, but not all, of the factories had women representatives on the councils.

⁹² ILO: "WOMEN – Only 2 per cent trade union members in the formal and invisible in the informal economy". Available at http://www.ilo.org/islamabad/info/public/pr/WCMS_187903/lang--en/index.htm?ssSourceSiteId=asia/lang--en/index.htm. Other sources refer to varying estimates of between 2-5 per cent [accessed 16 Nov. 16].

⁹³ S29, the Punjab Industrial Relations Act 2010; S29, the Sindh Industrial Relations Act 2013; S35, the Khyber Pakhtunkhwa Industrial Relations Act 2010; and S40(I), the Baluchistan Industrial Relations Act 2015.

Trade union representatives are, however, very critical of works' councils on the grounds that they are not truly representative. They are equally critical of the small number of "pocket unions" in the sector, which they regard as being under the influence of the management.

The lack of unionization, and consequent absence of collective bargaining, is a challenge for both male and female workers. A number of trade unions are making efforts to increase their female membership and the number of women in senior positions within union structures. However, at this stage there is little evidence of female voices within trade unions. Women, particularly in the informal sector, have begun to self-organize. The Home-Based Women Workers' Federation is Karachi is an example of a registered union federation, which has emerged from ground-level work with women at community level. The federation operates a community centre in north Karachi and supports women in organizing collectively within their local communities, taking on negotiations with contractors and middlemen over pay rates and providing skills development. The Federation along with civil society organizations such as HomeNet Pakistan have cooperated with provincial labour departments to register female home-based workers in readiness for hoped-for legislation regularizing the legal position of home-based workers and to support access to social protections once legislation is in place.

Compliance

This section of the report examines levels of compliance and aims to draw, where possible, links between compliance and gender.

A small pool of manufacturers supplying buyers and retailers in the European Union and United States markets are recognized as compliant and are regularly monitored through buyer audits for quality control, building safety and labour standards compliance. Beyond this, all agree that compliance is poor, with little pressure for compliance in the majority of the sector supplying domestic and regional export markets.⁹⁴

Wages and hours worked

The Labour Force Survey data indicates that wages within the garment sector are generally low. For the two years analysed, average wages and hours demonstrate pay levels for women below the statutory minimum.⁹⁵

⁹⁴ See also M. Zhou, *Pakistan's hidden workers*.

⁹⁵ Notification No.MWB/Un-Skilled/I(161)/67-68 KPK Gazette (Reg No. P.III), 12 Aug. 2015; Notification No.MWB/Un-Skilled/I(161)/238-39 KPK Gazette (Reg No. P.III), 21 Jan. 2016; Notification No.MWB/UN-Skilled/I(161)/3666 KPK Gazette (Reg No. P.III), 30 Sep. 2016; Notification No. L-II-13-4/78 Sindh Gazette (Reg No. M324), 1 Nov. 2013; Notification No. L-II-13-4/78 Sindh Gazette, 12 Mar. 2015; Notification No. SO(D-II)MW/2011(P-II) Punjab Gazette, 4 Sep. 2013; Notification No. SO(D-II)MW/2011(P-II) Punjab Gazette, 11 Sep. 2014; Notification No.S.O.II (L) I-40/2013/206-25, Baluchistan Gazette, 28 Mar. 2014; and Notification No.S.O.II (L) I-41/2013/835-50, Baluchistan Gazette, 10 Dec. 2014.

Table 7: Comparison of average hourly wages with statutory minimum unskilled wages 2013-2015 (PKR)

	2013-2014		2014-2015	
	Average hourly wage	Minimum hourly wage	Average hourly wage	Minimum hourly wage
Male workers	55.29	48.08	60.81	57.69
Female workers	39.71	48.08	37.63	57.69

The research found three models of payment in practice: fixed rate salaries; combined fixed salary for a number of pieces with additional piece rates for work over the specified number of pieces; pure piece rates. The first was more common in the formal economy factories visited in Karachi, which paid at or above the minimum wage for unskilled workers.

Anecdotally, the second model appeared more prevalent in Faisalabad and Lahore in situations where fixed salaries well below the statutory minimum for unskilled workers were supplemented by piece rates, which took workers above the minimum wage. The third model, payment purely by piece rate, was observed in most of the non-export companies in all three cities. The field research found that despite the minimum wages set by the provincial Labour Departments in Punjab and Sindh governing particular industries, including textiles and garments, no factories visited paid the higher, skilled rates specified.

In factories supplying the local market, wage violations were alarmingly common. Many workers, whether salaried or piece-rate, were earning between PKR9,000 (\$90) and PKR12,000 (\$120) a month, which is below the legal minimum wage. One woman working at a supervisory level was being paid only PKR12,000 (\$120) a month.

Many women, especially in Lahore and Faisalabad did not know what the legal minimum wage was or that it was different for skilled and unskilled categories of work. Workers in Karachi were more aware of legal minimum wage notifications, but were afraid to demand them from their employer for fear of losing their jobs and being replaced by others who were willing to work for the lower salary.

The field research found no difference between fixed salaries or piece rates for men and women at any of the sites visited. However access to overtime beyond the standard 48-hour week significantly affects access to pay. Women, apparently by choice, and in some cases because of legal restrictions,⁹⁶ do not generally work overtime or, where they do, it is for fewer hours than men. Monthly wages for male and female machinists consistently show a higher average for men than women and this difference primarily comes down to the extra pieces they were able to make during overtime, sometimes payable at double the normal rate. Labour Force Survey

⁹⁶ S45(b), the Factory's Act 1934. This provides that if the employer arranges for transport facilities, a woman may agree to work until 10 p.m. in two shifts.

data confirms gender differences in access to overtime.

Table 8: Average number of hours worked in a week

	Male	Female
Average hours	54.13	34.26
< 48 hours	13.58%	87.48%
= 48 hours	23.54%	2.64%
> 48 hours	62.89%	9.88%

Source: Labour Force Survey, 2013-2014 and 2014-2015

In large factories, especially export-oriented ones, there were few violations of legal limits on working hours and on women's work after 7 pm. Unfortunately, interviews indicated that the limitation on their working at night has proved to be a significant disincentive to employing women. In Lahore and Faisalabad, even large firms that provided transport to its workers during regular working hours said they preferred to hire men, especially in those positions where overtime was a regular occurrence.

It appears that the protective measures limiting women's work at night are acting as a double edged sword – protecting women from unsafe travel to and from work at night, but deterring employers from hiring them because they are regarded as a less flexible labour resource.

Workplace facilities

Large factories in the formal economy all had separate rest areas, toilets and canteen space for women, in accordance with the various provincial legal requirements. Informal economy enterprises generally did not. Similarly, childcare facilities were provided by formal economy workplaces, albeit at the bare minimum standards, while no such accommodation was available in the informal economy enterprises visited.

Interviews with women workers indicated that a major consideration is the provision of safe transport. Public transport is not generally viewed as a safe space for women in Pakistan and, in the absence of suitable public services, voluntary provision by employers is one of the most important enabling factors for women to access work. Currently the legislative framework does not compel employers to provide transport (save in relation to factory work at night, as discussed in Chapter 4). The research indicates that the provision of safe, affordable transport options could be transformative in terms of women's access to the workplace.

Social security

Many employers have found ways of circumventing legal requirements to register all workers with and pay contributions to social security and pension institutions. Many simply fail to issue letters of employment, while others hire through third-party

contractors. This affects both male and female workers but available data indicates that the impact on women workers is far greater.

Even when women are registered, their uneven employment pattern, including interruptions related to maternity, means that their contributions to the Employees Old Age Benefit Institution are smaller than men's and therefore likely to result in a pension pay gap.

Table 9: Industrial and Commercial establishments registered with Social Security wing of Provincial Governments

	Punjab	Sindh	Baluchistan	KPK
Total number of women in labour force	10.64 million	2.12 million	0.61 million	1.29 million
Number of women registered with Social Security	38,210	163,035	445	2,126
% of total labour force	0.4	8	0.1	0.2
Total number of men in labour force	26.28 million	12.19 million	2.60 million	5.31 million
Number of men registered with Social Security	926,902	596,304	10,370	68,771
% of total labour force	4	5	0.4	1

Source: Statistics are provided by Provincial Departments of Labour

Other relevant regulations

Recent legislation to prevent workplace harassment is a significant step forward, although at this stage there is little available information on its implementation. This research did not seek to collect data on this sensitive topic, but in interviews the issue was explored. Only one interviewee stated that she had made a complaint of harassment and she reported that her employers were putting pressure on her to withdraw it. Given the low labour participation rates of women and the importance of safety at work for women, it is likely that careful monitoring of the new statutory system will be required in order to gauge its effectiveness over time.

Another significant area of concern is the position of home-based workers, who are viewed as falling outside legal protections in terms of pay and more broadly. The majority of home-based workers are women and this is likely to remain the case while the lack of safe working environments and transport to and from work mean that

many economically active women are unable or unwilling to access work outside the home.

Implementation and enforcement

Stakeholders, including many government officials, recognize that implementation of the various statutory frameworks is poor and that enforcement mechanisms are weak and ineffective.

Implementation of national and international labour standards in Pakistan's garment sector is largely dependent upon the location of the ultimate consumer. As mentioned earlier, the export market aimed at the United States and European Union is largely compliant. International retailers, brands and supply chain agents require high levels of compliance with both national laws and international labour standards through carefully regulated codes of practice and audit requirements.

These codes of practice contain prohibitions against discrimination. However, they do not fully address gender inequality. For example, they do not cover issues such as job segregation or discrimination on the basis of marital status and childcare responsibilities or more structural aspects of gender discrimination relating to education levels and skills. More positively, some brands are encouraging the expansion of female workforces and have discussed (although not required) employers to address the proportion of female staff. International brands and retailers are also keen to expand the pool of compliant suppliers and are actively working to expand their supply base.

Beyond the small pool of these top-tier suppliers, there is little buyer demand for compliance. The regional export and domestic markets do not demand compliance and implementation of the legislative frameworks is poor.

The provincial labour inspectorates are acknowledged by stakeholders to be weak and to have varied levels of effectiveness. Labour departments have many unfilled posts and existing staff lack capacity, resources and even basic infrastructure such as transport and fuel. This environment gives rise to high levels of corruption, leading to a lack of trust between workers' representatives, enterprises and labour departments. Additionally, as discussed above, a large section of the industry operates in the informal economy and is effectively unregulated.

Stakeholders were also critical of the labour courts, which are widely viewed as ineffective, time consuming and costly. No cases of discrimination claims being pursued were identified during field research. The most common work-related cases were about non-payment or delayed payment of wages, or unlawful termination of employment. However, it is rare for women to pursue claims and there is a widespread perception that the court system is not a safe space for women.

Chapter 6: Conclusions

As can be seen, the Labour Force Survey reveals low levels of labour participation by women and high levels of pay inequality. The field research did not identify significant evidence of direct pay discrimination – paying women less than men for the same work simply because they are women. However, there was a strong incidence of indirect discrimination against women in relation to pay and discrimination more generally in ways that impact upon pay.

The Labour Force Survey reveals a gender pay gap of 26 per cent generally and a higher gap of 33 per cent in the garment sector.

Women are discouraged from entering the labour market for a range of reasons, from cultural stereotypes which see their role as in the home, to more practical barriers such as the lack of access to education, suitable training, childcare and safe transport.

In some cases, women were more likely to accept lower wages, or poorer working conditions out of deep-seated attitudes regarding gender roles, where men are seen as the primary winners and women as homemakers. Women see themselves as secondary earners and therefore perceive their work as intrinsically less important and less valuable than that of men. Women appear to believe in this gender division of roles just as strongly as men.

The lack of relevant training also significantly impedes a woman's ability to access many types of work, particularly better-paid work. The analysis of the Labour Force Survey revealed a lack of correlation between off-the-job skills training and the practical skills required by enterprises, resulting in low returns on skills learned off the job.

In the workplace women are stereotyped by employers, which can work both to their advantage and disadvantage. Some employers prefer to employ women as they are seen as docile, harder working, more loyal and less likely to create trouble. The flip-side to this is that they are more easily intimidated and less likely to question their pay and working conditions. In home-based work and in some cases in factory work, women were often intimidated with the threat that if they complained the employer, middleman or contractor would easily find someone to replace them.

Gender segregation, corralling women into types of work providing limited pay and career development is a clear factor in Pakistan's garment sector. This is evident in both factory work, in which women are excluded from many roles, and in home-based work. Investment in women as workers is also lacking, due to belief that women will stop working after marriage or during pregnancy, which is, indeed, often the case. While over time increased urbanization may be driving many women into the workplace to supplement family incomes, it is clear that the industrial workplace remains hostile to women.

There was evidence of discrimination against married women, in terms of job hiring or skills investment once employed. Explicit policies excluding married women from the workforce were openly discussed by some employers, despite the fact that the research showed that they had more years of work experience than their younger, unmarried counterparts and less likely to leave or change jobs. This attitude was less prevalent in Karachi where, perhaps, increased urbanization has increased the need for and supply of female workers. The lack of state support in terms of maternity benefits was also evident as a disincentive to employ and retain female staff.

Both women and men are affected by the widespread use of third-party contract labour and the low number of enterprises operating in the formal sector, and thus providing legal protections. However, it appears the impact is more significant for women, who are often in a minority in the largely male workforce and are particularly vulnerable due to their limited skills.

These factors link also to the low levels of union density in Pakistan, which leaves many workers vulnerable and unable to access collective bargaining. This, too, impacts disproportionately upon women who are the most at risk from precarious employment and who do not see unions as women-friendly.

Overall, safe transport emerged as one of the most crucial factors enabling women to access work. Only large factories provided this facility. However, even if transport was available, some women, though they were happy with the work and facilities, were not able to continue working at the factory if the commute was too long and they could not manage their household work as a result. Generally, the lack of safe public transport, and limited personal mobility, lead women to choose to work in close proximity to their homes, sometimes settling for lower paying jobs or poorer working conditions as long as they do not have to travel far.

Achieving equal pay between men and women requires a range of actions including effective policies on maternity, paternity and parental leave, advocacy for better sharing of family responsibilities,⁹⁷ infrastructure that helps women access and remain in work, effective social protection and, perhaps above all, action to overcome stereotyped attitudes about women and work and to ensure better recognition of the true value of their contribution.

⁹⁷ ILO: *Global Wage Report 2014/15*.

Chapter 7: Recommendations to address the gender pay gap

This research has shown the multi-faceted, interconnected nature of the elements that contribute to the gender pay gap in the ready-made garments sector. These issues, and the corresponding recommendations to address them, can be examined at three levels of implementation: the meta level, which looks at the wider environment; the macro level, which is concerned with policies and laws; and the meso level, which looks at workplaces and institutions.

These recommendations were discussed with a broad range of stakeholders, across federal and provincial government, employers and employers' representatives, trade unions, civil society, academia and sectoral experts. Their contributions have been valuable in framing the recommendations outlined below.

Meta-level recommendations

Transport

Safe, affordable and easily accessible public and private transport should be provided to allow women to access work opportunities.

The lack of safe, reliable, and well-connected public transport greatly limits the training and employment opportunities women can access. Safety, especially on the journey to and from work, is a major factor behind the reluctance of women to work outside the home. Currently, safe transport is provided only by the larger, private sector factories for their own workforces.

There have been several, small-scale initiatives to improve public transport for women including Women on Wheels, where the Punjab Chief Minister's Special Monitoring Unit on Law and Order and City Traffic Police jointly trained women to drive motorbikes, followed by the distribution of 1,000 pink scooters for working women and students at a 50 per cent subsidized rate.⁹⁸ There is also a private sector "pink rickshaw" scheme in Lahore aimed at female passengers and drivers. These examples should be expanded.

Improved childcare facilities

Improved childcare facilities should be required and provided in order to increase women's access to the workplace.

Caring for children is an important social responsibility. State institutions should

⁹⁸ Dawn, "Women on Wheels Hit the Road in Lahore", 13 July 2016. Available at <http://www.dawn.com/news/1232091> [accessed 15 Nov.16].

promote high-quality, low-cost childcare facilities, such as those supported by the Punjab Daycare Fund, which promotes the establishment of facilities based on international best practice. Low-cost models of childcare should be piloted and expanded.

Impact assessments and research

Gendered impact analyses should be conducted of both legislative provisions and policies impacting on women's access to the labour market.

Provisions designed to protect women in the workplace do not always achieve the desired effect. It will be important to monitor and assess measures such as the legislative provisions on prohibiting sexual harassment and those limiting night work, which may prove ineffective or have unexpected adverse impacts.

Challenging stereotypes and utilising the media for development messaging

Stereotypes limiting women and their roles should be challenged. Journalists and media officials should be trained on gender-responsive reporting to avoid overt and covert reinforcement of gender stereotypes.

To improve Pakistan's competitiveness it will be vital to increase women's participation in the workplace. A limiting factor is gender stereotyping which sees women as homemakers and as short-term contributors to the world of work. All stakeholders acknowledge that they have a role in challenging the limited gender roles currently restricting women and girls. The media also has a role in creating an enabling environment for challenges to gender stereotypes.

Macro-level recommendations

International labour standards

Pakistan should ratify and implement a broader range of ILO Conventions in order to promote women in the world of work. Rights and protections should be extended to those in the informal sector.

The informal sector is a significant part of Pakistan's employment and economic profile; the government should consider ratifying and implementing the Home Work Convention, 1996 (No. 177) and take guidance from the Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy. The Maternity Protection Convention, 2000 (No. 183) is particularly important for female workers in Pakistan who commonly face discrimination and termination of employment because of pregnancy and child-rearing. Further on this continuum lies the Workers with Family Responsibilities Convention, 1981 (No. 156) which recognizes that the problems of workers with family responsibilities are aspects of wider issues regarding the family and society which should be taken into account in national policies.

Strengthened legislation on pay and gender equality

The provinces should legislate for pay equality.

Currently only Khyber Pakhtunkhwa has legislated to require equal pay for work of equal value. Gender equality in relation to the provision of minimum wages is

insufficient to provide for pay equality.

Policies and legislative protections for home-based workers and the informal economy

The provincial governments should adopt policies and legislative provisions that protect and regulate the informal economy and, in particular, home-based work.

The Government of Sindh approved the Home-Based Workers' Policy in November 2016 and the Government of Punjab is also considering its own draft policy. All provinces should adopt clear policies and legislation extending legal protections to home-based workers. Policies should be debated in relation to the widening of legislative frameworks to informal economy enterprises and the regulation of third-party contracts.

Improved implementation

Existing legal frameworks should be implemented and properly enforced.

As outlined, significant legislative protections and regulations are already in place to improve female participation in the workplace and to regulate minimum levels of pay and working conditions, such as childcare provision. However, implementation is acknowledged to be weak.

Stakeholders should work together to ensure better implementation, regulation and monitoring. Tripartite stakeholders should, where possible, work to assist the Labour Departments in achieving effective implementation. The performance of the labour inspectorates and labour courts should be enhanced and monitored, particularly in those areas directly affecting women, their pay and gender discrimination in the workplace.

A wider pool of compliant manufacturers and increased gendered audit requirements

The number of compliant suppliers able to supply to the United States and European Union export markets should be increased.

It is clear from the research that demand-led pressure from the United States and European markets has led to improvements in compliance among those supplying to these export markets. This currently small pool should be expanded by enhancing the compliance of second-tier enterprises. Buyers, retailers and development partners should work together to expand compliance, through the promotion of business cases demonstrating the benefits of compliance and linking improved compliance to increased productivity.

Private regulation of buyers' codes of conduct should be expanded in scope to influence positive changes in relation to gender, such as minimum requirements for the proportion of female workers at various levels of enterprises and improved childcare provision and maternity benefits. The current scope of awards to enterprises furthering gender equality should be expanded.

Strengthened Labour Force Survey

The Labour Force Survey should be amended to incorporate additional questions and should be supplemented by specific surveys collecting more specific information on gender and impacts.

Questions should be designed to more fully capture information on the female workforce and, in particular, the informal sector. Questions should be designed to capture information on work experience, work interruptions and home-based work. Questions should also be added to capture the presence of trade unions in firms and workers' participation.

Meso-level recommendations

Demand-oriented training

Vocational training should be designed to meet the requirements of the industry.

The research identifies a clear mismatch between vocational training and its utility in the workplace, with resulting impacts on pay. Vocational training facilities should more actively collaborate with industry on the curriculum, skills and machinery available for training.

Career guidance in schools and colleges and human resource development in firms, should encourage women to train for and join a wider range of professions in the ready-made garments sector such as in merchandising, sampling and computer-aided design, which attract higher levels of pay.

Community-based training and production centres

Work opportunities for women should be provided in communities.

Given the prevailing gender stereotypes, the disproportionate burden of domestic work falling on women and the lack of women-friendly infrastructure, where possible community-based training and production centres should be provided to ensure that women are provided access to the world of work safely and with appropriate vocational skills. This training must impart relevant skills to meet job needs, in order to provide suitable returns on trainings.

Trade unions and female participation

Trade union recognition and the ability to collectively bargain should be simplified and strengthened. Provincial labour departments should be encouraged to seek amendment of existing industrial relations legislation, facilitating the establishment and registration of trade unions. The extension of the right to associate to currently excluded groups, particularly those in the informal economy, should be encouraged.

Trade unions should actively seek to support women members and to encourage women to take up positions of responsibility within trade union structures.

Given the vulnerability of many women workers and the clear disparities in pay equality, trade unions should do more to increase female membership and participation and actively seek to further the interests of women in the world of work.

Peer learning programmes

Skilled women trainers should be utilized in the workplace.

Male workers benefit from peer-to-peer learning on the factory floor. Women are unable to access similar learning from men due to social norms. Enterprises should identify women workers with specific skills to mentor fellow female workers in order to increase their skills base.

References

- ActionAid, 2015. *Close the gap! The cost of inequality in women's work*. Available at: https://www.actionaid.org.uk/sites/default/files/publications/womens_rights_online_version_2.1.pdf [6 Dec. 2016].
- Alif Ailaan. *The State of Education in Pakistan*. https://d3n8a8pro7vhmx.cloudfront.net/alifailaan/pages/496/attachments/original/1473162927/The_State_of_Education_in_Pakistan.pdf?1473162927 [14 Sept. 2016].
- Boston Review. <https://bostonreview.net/forum/can-global-brands-create-just-supply-chains-richard-locke> [19 Oct. 2016].
- Dawn, 2016. "WOW, Women on Wheels Hit the Road in Lahore", 13 July 2016. Available at: <http://www.dawn.com/news/1232091> [15 Nov. 2016].
- Dawn, 2014. "Missing Trade Unions", 16 June 2014. Available at: <http://www.dawn.com/news/1112918> [6 Nov. 2016].
- Esplen, E., Brody, A., 2007. *Putting Gender Back in the Picture: Rethinking women's economic empowerment*, (Brighton, University of Sussex). Available at: http://www.bridge.ids.ac.uk/sites/bridge.ids.ac.uk/files/reports/BB19_Economic_Empowerment.pdf [17 Jan. 2017].
- European Commission. Undated. *How to close the gender pay gap? Strategies and good practices of States and social partners in Europe*. Available at: <http://igvm-iefh.belgium.be/sites/default/files/downloads/45%20-%20Gender%20pay%20gap.pdf> [6 Nov. 2016].
- Foubert, P.; Burri,S;Numhauser – Henning,A. 2010. *The gender pay gap in Europe from a legal perspective (including 33 country reports)*. (Brussels, European Commission, Directorate-General for Employment, Social Affairs and Equal Opportunities). Available at: http://ec.europa.eu/justice/gender-equality/files/gpg_legal_perspective_2010_en.pdf [17 Jan. 2017].
- Government of India. <https://data.gov.in/dataset-group-name/anganwadi-centers> [9 Dec. 2016].
- Government of Pakistan, Board of Investment. <http://boi.gov.pk/Sector/SectorDetail.aspx?sid=6> [21 Nov. 2016].
- Government of Pakistan, Ministry of Finance, 2016. *Pakistan Economic Survey 2015-16*.
- Government of Pakistan, Pakistan Bureau of Statistics, 2015. *Labour Force Survey 2014-15 Annual Report*. Available at: <http://www.pbs.gov.pk/content/labour-force-survey-2014-15-annual-report> [17 Jan. 2016].
- Government of Pakistan, Ministry of Planning, Development and Reform (undated). *Pakistan 2025: One Nation, One Vision*. Available at: <http://fics.seecs.edu.pk/Vision/Vision-2025/Pakistan-Vision-2025.pdf> [2 Dec. 2016].

Government of Pakistan, Pakistan Bureau of Statistics, Statistics Division, 2013. *Pakistan*

Employment Trends 2013. Available at:

http://www.pbs.gov.pk/sites/default/files/Labour%20Force/publications/Pakistan_Employment_2013.pdf [17 Jan. 2016].

Industriall, 2014. “Unsafe garment industry needs trade unions”, 12 Sept. 2014. Available at: <http://www.industriall-union.org/unsafe-garment-industry-needs-trade-unions> [7 Nov. 2016].

International Labour Organization (ILO), 2016. *Women at Work Trends 2016* (Geneva). Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_457317.pdf [17 Jan. 2017].

–. 2015. *Global Wage Report 2014/15 Wages and income inequality* (Geneva). Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_324678.pdf [17 Jan. 2017].

–. 2014. *Pakistan Decent Work Country Profile*. Available at: http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-islamabad/documents/publication/wcms_316668.pdf [10 Jan. 2016].

–. Women Employment Concerns and Working Conditions in Pakistan, 2008. *Gender audit of workers welfare fund development portfolio*. Available at: http://www.ilo.org/wcmsp5/groups/public/@asia/@ro-bangkok/@ilo-islamabad/documents/publication/wcms_115417.pdf [9 Dec. 2016].

–. *Resolution concerning decent work and the informal economy*. Available at: <http://www.ilo.org/public/english/standards/realm/ilc/ilc90/pdf/pr-25res.pdf> [17 Jan. 2017].

International Labour Organization (ILO). NORMLEX - Ratifications for Pakistan. Available at: <http://bit.ly/1OljYc> [18 Jan. 2016].

International Monetary Fund (IMF), 2013. *Women, Work, and the Economy: Macroeconomic Gains from Gender Equity*, Staff Discussion Note (Washington, DC). Available at: <http://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf> [21 Nov. 2016].

Iqbal, J. M. 2015. “ILO Conventions and Gender Dimensions of Labour Laws in Pakistan”, in *South Asian Studies*, Vol. 30, No.1, January–June 2015, pp. 243 – 257.

Keane, J., te Velde, D. W., 2008. *The Role of Textile and Clothing industries in Growth and Development Strategies*. (London, Overseas Development Institute (ODI)). Available at: <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/3361.pdf> [18 Jan. 2016].

Korinek, J., 2005. *Trade and Gender: issues and interactions*. Trade Policy Working Paper No. 24 (Paris, Organisation for Economic Cooperation and Development). Available at: <https://www.oecd.org/tad/35770606.pdf> [18 Jan. 2016].

Lopez-Acevedo, G., Robertson R. (Eds), 2016. *Stitches to Riches? Apparel employment, trade, and economic development in South Asia*. (Washington, DC, World Bank). Available at: <https://openknowledge.worldbank.org/bitstream/handle/10986/23961/9781464808135.pdf?sequence=2&isAllowed=y> [17 Jan. 2016].

Makino, M., 2012. *What motivates female operators to enter the garment industry in Pakistan in the post MFA period?* IDE Discussion Paper no. 374, (Chiba, Institute of Developing Economies).

Available at: <http://www.ide.go.jp/English/Publish/Download/Dp/pdf/374.pdf> [17 Jan. 2016].

Oelz, M., Olney, S., Tomei, M., 2013. *Equal Pay - An introductory guide*, (Geneva, International Labour Office). Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_216695.pdf [16 Nov. 2016].

Pakistan Skills Development Fund. Undated, circa 2015. *Sector Skills Study. Garments sector* <http://psdf.org.pk/wp-content/uploads/2014/10/GarmentsSectorReportFinal.pdf> [18 Oct. 2016].

Perinelli, B., Beker, V.A., 2011. *The Gender Gap. A comparative analysis of wages in times of recession. Quarterly Report March 2011 (Wage Indicator)*. Available at: <http://www.wageindicator.org/main/documents/publicationslist/publications-2011/The-Gender-Gap-WageIndicator-Report-01-2011.pdf> [17 Jan. 2017].

Stotz, L., . Undated. "Facts on Pakistan's Garment Industry, Factsheet Pakistan", Clean Clothes Campaign. Available at: <https://cleanclothes.org/resources/publications/factsheets/pakistan-factsheet-2-2015.pdf> [18 Oct. 2016].

The Guardian, 2016. "Women-only 'pink rickshaw' hits the road in Lahore", 13 Apr. Available at: <https://www.theguardian.com/world/2015/apr/10/women-only-rickshaw-hits-the-road-in-lahore> [18 Jan. 2016].

The Post Magazine, 2016. "The true cost of your cheap clothes: slave wages for Bangladesh factory workers", 11 June. Available at: <http://www scmp com/magazines/post-magazine/article/1970431/true-cost-your-cheap-clothes-slave-wages-bangladesh-factory> [16 Nov. 2016].

UK Equality and Human Rights Commission. <https://www.equalityhumanrights.com/en/advice-and-guidance/how-implement-equal-pay> [9 Dec. 2016].

United Nations Children's Fund (UNICEF), 2016. *The State Of The World's Children 2016: A fair chance for every child* (New York). Available at <https://www.unicef.org/sowc2016/> [17 Jan. 2017].

United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), 2016, *Women's Economic Participation And Empowerment In Pakistan Status Report 2016*. Available at: <http://www2.unwomen.org/-/media/field%20office%20easia/docs/publications/2016/05/pk-wee-status-report-lowres.pdf?vs=518045731> [17 Jan. 2016].

—. *Progress of the World's Women 2015-2016: Transforming economies, realizing rights*. Available at: <http://progress.unwomen.org/en/2015/> [17 Jan. 2017].

USAID. <https://www.usaid.gov/results-data/success-stories/usaid-youth-tv-series-touches-lives>.

Women in Informal Employment: Globalizing and Organizing (WIEGO. "Garment Workers". Available at: <http://wiego.org/informal-economy/occupational-groups/garment-workers> [19 Oct. 2016].

World Bank. "Country at a Glance: Pakistan". Available at <http://www.worldbank.org/en/country/pakistan> [16 Nov. 16]

Zhou, M., 2016. *Minimum Wage Setting, Implementation and Working Conditions in the Formal and Informal Sectors of the Garment Industry in Pakistan* (Bangkok, ILO).

Zhou, M., Forthcoming. *Pakistan's hidden workers: Wages and conditions of home-based workers and the informal economy* (Islamabad, ILO)

Appendices

Appendix I: Wage regression

	Male		Female	
	Coefficient	in %	Female	in %
Age	0.045		0.063	
Age squared / 100	-0.031		-0.084	
Married	0.102	11%	-0.175	-16%
Primary and middle	0.082	9%	0.052	5%
Matric and intermediate	0.108	11%	0.169	18%
College	0.622	86%	0.898	145%
Relevant training on job	0.123	13%	0.142	15%
Relevant training off job	0.019	2%	0.070	7%
Production worker	-0.130	-12%	-0.020	-2%
Temporary contract	0.174	19%	0.309	36%
Permanent contract	0.164	18%	0.301	35%
Paid casually	-0.072	-7%	-0.207	-19%
Paid by piece	0.086	9%	0.019	2%
Paid apprentice	-0.815	-56%	-1.039	-65%
Office or factory	-0.060	-6%	0.088	9%
Punjab	-0.133	-12%	-0.573	-44%
Sindh	-0.074	-7%	-0.715	-51%
Faisalabad	-0.123	-12%	-0.152	-14%
Lahore	0.060	6%	0.196	22%
Karachi	0.014	1%	0.602	83%
Urban	-0.013	-1%	-0.148	-14%

Year 2014/2015	0.044	5%	-0.014	-1%
Constant	3.299		2.951	
Observations	1,570		507	
Adjusted R2	31%		17%	

Labour Force Surveys 2013-14 and 2014-15

Appendix II: Descriptive statistics based on employment sample: garment sector

	Male	Female
Age (years)	31.22	29.38
Marital status		
Married	59.53%	55.23%
Not married	40.47%	44.77%
Education		
No education	19.85%	46.60%
Primary and middle	49.18%	36.62%
Matric and intermediate	26.16%	16.02%
College	4.82%	0.77%
Relevant vocational training		
Relevant training on job	25.01%	17.73%
Relevant training off job	32.81%	67.62%
No training	42.18%	14.64%
Work location		
Office or factory	92.90%	6.28%
Home	7.10%	93.72%
Province		
Punjab	45.22%	76.92%
Sindh	44.87%	11.19%

Other province	9.90%	11.89%
Location		
Faisalabad	5.42%	7.29%
Lahore	7.93%	4.45%
Karachi	34.21%	4.45%
Other location	52.44%	83.81%
Area		
Urban	71.52%	40.12%
Rural	28.48%	59.88%
Occupation		
Legislator or manager	2.76%	0.00%
Professional	0.79%	0.00%
Technician	2.87%	0.20%
Clerical support worker	2.46%	0.00%
Service or sales worker	1.26%	0.00%
Skilled agricultural worker	0.00%	0.00%
Craft worker	74.81%	98.01%
Machine operator	9.09%	1.18%
Elementary occupations	5.96%	0.60%
Employment status		
Regular paid employee	24.67%	1.39%
Casual paid employee	17.13%	3.89%
Paid worker by piece rate	16.94%	19.34%

Paid non-family apprentice	0.83%	0.24%
Employer	2.37%	0.00%
Own account worker	34.52%	65.32%
Contributing family worker	3.51%	9.82%
Other	0.04%	0.00%

Appendix III: Quantitative analysis

This appendix outlines the method used to arrive at the quantitative results. The setup is as follows. We start by showing the estimated equations for the wage regressions on the mean and the quantiles. Second, we discuss how the counterfactual distribution is derived using a reweighting method. Finally, we explain how the observed gender pay gap can be decomposed by making use of the counterfactual distribution and the coefficient estimates from the wage regression.

Throughout we will assume that we have a sample of $F + M$ individuals which are indexed $i = 1, 2, \dots, F$ for females and $i = 1, 2, \dots, M$ for males. For each of these individuals we have a vector of n observable characteristics $x_i = (x_{i1}, x_{i2}, \dots, x_{in})$ and their (log) wage y_i . In addition, they all have a sampling weight θ_i .

The data for the two years sampled, 2013-14 and 2014-15 were pooled together. In order to account for differences between the two years an inflation correction has been applied and all regressions include a year dummy variable (equal to 1 if the year is 2014/2015 and equal to 0 for 2013/2014).

A.1 Wage regression

We can use the observable characteristics x_i of each individual as explanatory variables to explain variation in log wages y_i . The standard semi-log wage regression is given by:

$$y_i = x_i' \beta + \varepsilon_i$$

where β is the vector of coefficients of interest and ε_i is an error term. We correct for heteroscedasticity by using robust standard errors and take into account the structure of the sample by clustering standard errors at the household level. We can interpret β_k as the expected change in y_i given a one unit increase in the k -th regressor.

For the quantiles q_τ we do a similar analysis, but the dependent variable is replaced by an estimate of the so-called Recentered Influence Function (Firpo, Fortin and Lemieux, 2009⁹⁹):

$$\widehat{RIF}(y_i, q_\tau) = \hat{q}_\tau + \frac{\tau - 1\{y_i \leq \hat{q}_\tau\}}{\hat{f}(\hat{q}_\tau)}$$

where \hat{q}_τ is sample quantile and \hat{f} is the Kernel density function. Since the expected value of the RIF is q_τ , we can interpret the coefficient β_k as the change in the quantile of interest following a one unit increase in the expected value of the k -th regressor.

A.2 Counterfactual distribution

⁹⁹ Sergio Firpo, Nicole M. Fortin and Thomas Lemieux. 2009. "Unconditional quantile regressions." *Econometrica* 77: 953-973.

We can obtain a counterfactual distribution of y_i for females by “reweighting” the observations for males in such a way that the sample of males resembles the sample of females in terms of the observable characteristics x_i .

The relevant reweighting term is given by:

$$\psi(x_i) = \frac{1 - \Pr(\text{male}|x_i)}{\Pr(\text{male}|x_i)} \frac{\Pr(\text{male})}{1 - \Pr(\text{male})}$$

In this expression, $\Pr(\text{male})$ is the probability of a random person being male which can be approximated by the sample proportion of males. $\Pr(\text{male}|x_i)$ is the probability of a person being male given the observable characteristics x_i and can be obtained as the fitted value of a probit regression.¹⁰⁰ The relevant weights for the counterfactual sample are then given by $\theta_i \psi(x_i)$ for $i = 1, 2, \dots, M$.

A.3 Decomposition

The reweighted-regression decomposition method developed by Firpo¹⁰¹, Fortin and Lemieux (2010) makes use of the counterfactual distribution derived above. In order to decompose the gender gap in a distributional statistic ν we proceed in the following steps. First, we obtain the counterfactual distribution for females. Second, for each of the three distributions (male m , female f and counterfactual c) we calculate the sample estimate $\hat{\nu}_j$. Then we can decompose the gender gap as:

$$\hat{\nu}_m - \hat{\nu}_f = [\hat{\nu}_m - \hat{\nu}_c] + [\hat{\nu}_c - \hat{\nu}_f]$$

The first term in square brackets is the “composition effect”. The second term in square brackets is the “structure effect”.

If in addition we are interested in the contribution of different explanatory variables in the size of each component, then we can use the coefficient estimates of the wage regression. We perform an OLS regression separately for males (m), females (f) and the counterfactual sample (c) in order to obtain the parameter estimates $\hat{\beta}_m$, $\hat{\beta}_f$ and $\hat{\beta}_c$. We can then write:¹⁰²

$$\hat{\nu}_j = \bar{x}_j' \hat{\beta}_j$$

where \bar{x}_j is the average of the explanatory variables for sample $j = m, f, c$. We can then decompose the composition effect further as:

$$\hat{\nu}_m - \hat{\nu}_c = [\bar{x}_m - \bar{x}_c]' \hat{\beta}_m + \bar{x}_{ck}' [\hat{\beta}_m - \hat{\beta}_c]$$

where the first term is the “pure” composition effect and the second term the specification error. If the underlying wage process is truly linear then this error should be small and go to zero when the sample size gets large (because $\hat{\beta}_c$ converges to $\hat{\beta}_m$). The contribution of explanatory variable k to the pure composition effect is $[\bar{x}_{mk} - \bar{x}_{ck}] \hat{\beta}_{mk}$.

¹⁰⁰ In general the probit regression can use a flexible function of x_i , for example a polynomial. For our data we found that adding interaction terms did not improve the fit of the model, so we used a linear specification instead.

¹⁰¹ Sergio Firpo, Nicole M. Fortin and Thomas Lemieux. 2010. “Decomposition methods in economics.” In *Handbook of Labor Economics Volume 4*, edited by David Card and Orley Ashenfelter, 1-102. (Elsevier).

¹⁰² In the case of the quantile this is not strictly true; there might be a (small) error because the sample average of the estimated RIF function is not exactly equal to the sample quantile.

We can decompose the structure effect further as:

$$\hat{v}_c - \hat{v}_f = \bar{x}_f'[\hat{\beta}_c - \hat{\beta}_f] + [\bar{x}_c - \bar{x}_f]'\hat{\beta}_c$$

Where the first term is the “pure” structure effect and the second term is the reweighting error. If the reweighting has been done properly then this error should be small and go to zero when the sample size gets large (because \bar{x}_c converges to \bar{x}_f). The contribution of explanatory variable k to the pure structure effect is $\bar{x}_{fk}[\hat{\beta}_{ck} - \hat{\beta}_{fk}]$.

An alternative to the reweighted-regression decomposition method is the Blinder-Oaxaca decomposition. It is given by:¹⁰³

$$\hat{v}_m - \hat{v}_f = [\bar{x}_m - \bar{x}_f]'\hat{\beta}_m + \bar{x}_f'[\hat{\beta}_m - \hat{\beta}_f]$$

Where the first term is the “explained part” (differences in observable characteristics) and the second term is the “unexplained part” (differences in the return to observable characteristics). If the underlying wage process is truly linear then both decomposition methods should give the same results in large samples. In that case the “explained part” coincides with the “composition effect” and the “unexplained part” with the “structure effect”. However, the reweighted-regression method is more general and more robust to deviations from linearity.

Decomposition Mean

Garment Industry

	Composition	Structure	
Pure effect	0.005	0.432	
Error	0.019	-0.009	
Total	0.024	0.423	0.447
	5%	95%	
 Blinder-Oaxaca	 0.007	 0.440	 0.447
	2%	98%	

¹⁰³ This is actually a special case of the Oaxaca decomposition, where it is assumed that the “non-discriminatory” coefficients are those obtained for the male sample.

Decomposition Deciles

Garment Industry

	Percentile									
Composition effect										
	10	20	30	40	50	60	70	80	90	
Pure effect	-0.067	0.065	0.070	0.064	0.019	0.011	-0.018	-0.049	-0.009	
Specification error	0.094	0.050	-0.010	0.005	0.076	0.026	0.037	0.106	0.079	
Sample error	-0.031	-0.012	0.007	0.000	-0.079	-0.011	-0.008	-0.069	0.031	
Total	-0.004	0.104	0.066	0.069	0.016	0.026	0.011	-0.012	0.101	
Structure effect										
	10	20	30	40	50	60	70	80	90	
Pure effect	0.675	0.455	0.391	0.403	0.354	0.361	0.372	0.364	0.367	
Reweighting error	0.046	0.055	0.047	-0.009	-0.024	-0.033	-0.066	-0.091	-0.103	
Sample error	0.001	0.010	-0.004	-0.002	0.085	0.010	0.019	0.053	0.002	
Total	0.722	0.520	0.434	0.392	0.415	0.339	0.325	0.325	0.266	
Total gap	0.718	0.624	0.500	0.461	0.431	0.364	0.336	0.313	0.366	

Appendix IV: List of participants of the stakeholders' consultation

Name	Designation	Organization
Government		
Wasim Jamal	Social Security Officer	Sindh Employees Social Security Institute
Gulfam Nabi Memon		
Gulfam Nabi Memon	Joint Director	Department of Labour and Human Resources, Government of Sindh
Naveed Warrach	Deputy Director	Department of Labour and Human Resource, Government of Punjab
Muhammad Usman	Secretary	Punjab Commission on the Status of Women
Munir Ahmed Aslam	Deputy DG	Pakistan Bureau of Statistics
Javeria Khalid	Assistant Research Fellow	Punjab Economic Research Institution
Employers and Trade bodies		
U. R. Usmani	Board Member	Employers' Federation of Pakistan
Muhammad Ayub	Secretary	Pakistan Hosiery Manufacturers' & Exporters' Association
Workers and Trade Unions		
Fazal Wahid	President	All Pakistan Trade Union Federation
Niaz Khan	General Secretary	Ittehad Labour Union Carpet Industries
Muhammad Yaqoob	Chairman	Muttahida Labour Federation
Shaukat Ali Chaudhry	Chairman	Pakistan Workers' Confederation Punjab

Zahida Perveen	Chairperson (women's wing)	Pakistan Workers' Federation
Aslam Wafa	President	Pakistan Textiles, Garments and General Workers Federation Punjab
Nasir Mansoor	Secretary	National Trade Union Federation
Zehra Khan	General Secretary	Home Based Women Workers' Federation
Arooma	President	Domestic Workers Union Punjab
Mukhtar Awan	Chief Organiser	Pakistan Workers' Federation
Lala M. Sharif	President	Powerloom Workers' Union, Faisalabad
Asma Nafor	Assistant Accountant	Anonymous
Nusrat Bibi	Supervisor	Anonymous
Kishwar Arien	Worker	Anonymous
Kishwar Sikandar	Production Manager	Anonymous
Muhammad Maqsood	Packer	Anonymous

Name	Designation	Organization
Civil Society, Academia, Development Consultants, Training and Research Institutions		
Asif Raza	Marketing Officer	Baidarie, Sialkot
Iffat Ara	Economist	Social Policy and Development Centre, Karachi
Dr Javaid Gill	Executive Director	Mehnat, Lahore
Ghazanfar Abbas	Senior Manager	Punjab Vocational Training Council
Raheel Babar	Manager Administration	Pakistan Readymade Garment Technical Training Institute
Murium Hadi	CARE International	Head of Programmes (a.i)
Ume- Laila Azhar	Executive Director	HomeNet Pakistan

Dr. Hasan Mohsin	Head of Department	Pakistan Institute of Development Economics
Sajid N Khan	Managing Director	Punjab Vocational Training Council
Khalid Mahmood	Director	Labour Education Foundation
Maria Kokab	Senior Programme Officer	HomeNet Pakistan
Danish Batool	Project Coordinator	HomeNet Pakistan
Kamran Sandhu	Director	Pakistan Readymade Garment Technical Training Institute
Sajjad Akbar	Consultant	International Labour Organization
Muhammad Misbah-ul Haque Haqqi	Lead Consultant	APPTEX Solutions

INGOs

Noor Khan	Technical Advisor	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
Romina Kochius	Project Manager	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

Manufacturers, International Buyers and Sourcing Companies

Wasim Zaidi	General Manager Production	Softwood (Pvt) Ltd
Raheel Wali	Ethical Trade Manager	Primark
Umar Bin Asad	Vice President	Li& Fung
Imran Lateef	Chief Executive Officer	Texlynx

Auditors

Farhan Nazeer	Audit Head (North)	SGS Auditors
----------------------	--------------------	--------------

Appendix V: Survey tools

Questions for the telephone survey Factory-based employees

Introduction: (URDU) Assalam o Alaikum. My name is ABC. I work for the International Labour Organization in Pakistan. The ILO is a UN agency that focuses on issues related to the world of work. The ILO is conducting research on the garments sector in Pakistan and trying to find out what women's and men's experience of working in this sector is. In particular we are looking at issues of wages, and seeing if women's wages are different from men's wages and how.

Your number was given to us by ? I will ask you x questions. The interview will last about 20 minutes. It is most important that you understand that this interview will be completely confidential. Your name, your employer's name, and your responses will only be kept on our record. They will not be published anywhere or revealed to anyone.

Now we will begin the interview.

1. Name (the interviewer will submit only a code number to the ILO)
2. Sex:
3. Age:
4. Marital status:
 - Single
 - Married
 - Divorced
 - Widowed
5. Number of children:
6. No of people living in the home:

Background Note

Occupational sex segregation While men predominate in better paying and high status jobs, as well as holding more supervisory positions, women are concentrated in lower paying and lower status jobs with little decision-making power. This is often a result of stereotyped assumptions regarding what type of work is "suitable" for women and men. Women are also more likely to work in the informal economy, unregulated by labour laws, and therefore more vulnerable to exploitation.

7. What are the three most common jobs for women in your factory?
8. What are the three most common jobs for men in your factory?
9. What is your current job/job title?
10. How long have you worked in this factory?
11. How long have you worked in your current job?
12. Have you ever received a promotion?
 - a. If yes

- i. When was your last promotion?
 - ii. After how long?
13. Have you ever been refused a job because it is 'not for women' (or 'not for men')

Background Note

Education and Training In Pakistan women tend to have fewer years of schooling than men because girls' education is seen as less useful or less economically beneficial. Women are also less likely to receive formal training. TVET institutions for men offer more employable skills development courses than women's. Men are also more likely to receive in-service training especially if it involves training in technology. This discrimination in education and training translates into fewer job opportunities.

14. What is your level of education?
15. Have you received any skills training related to your current job?
- a. If yes, where?
 - i. on the job
 - ii. training institute
 - iii. self-taught
 - iv. other
16. Does your firm offer any training opportunities?
17. Have you been considered for those opportunities?
- a. If no, why do you think you have not been offered training?
 - i. Insufficient experience
 - ii. Insufficient education qualification
 - iii. Did not show interest
 - iv. Employers think I am not interested (though I am)
 - v. The training was only for men
 - vi. The training was only for women
 - vii. The training was after working hours
 - viii. I didn't have the money to pay for it
 - ix. other
 - b. If yes, how have those opportunities benefitted you?
 - i. can do my work better
 - ii. pay raise
 - iii. promotion
 - iv. new job
 - v. other
18. Have you ever been denied a promotion or training opportunity because you were married, pregnant, or had children?

Background Note

Work interruptions Men experience fewer work interruptions than women. Women often leave work to get married or have and care for children. Women with children are likely to be paid less than men, and less than other women without children. In Pakistan there is anecdotal evidence of married women simply not being considered for employment as employers feel that the marriage and childbirth affect the retention and performance of working women. Women also perform an unequal share of family and household tasks, which can take time away from their jobs and leave them with fewer opportunities for career advancement.

19. During all the time you have worked (*this can include work prior to the current job*) did you have to stop working at any time?

a. If yes:

- i. own choice
- ii. marriage
- iii. pregnancy or childbirth
- iv. caring for children
- v. caring for elderly or unwell
- vi. own illness
- vii. demand from family
- viii. fired
- ix. workplace was too far away
- x. pay was not enough
- xi. the facilities were poor (eg no separate toilets, place to rest etc)
- xii. other

b. How long did you stop working?

20. Are you a full-time worker or part-time?

Background note

Part-time vs full-time work The majority of part-time workers are women, which contributes to unequal remuneration. Women may work part time by choice, but many do so because they shoulder an unequal share of family responsibilities. In some countries, gender stereotypes mean that part-time work is the only option available to women.

21. If you had the option of part-time work would you be interested? (For full-time workers only)

a. Yes, why?

- i. I can give more time to home and family
- ii. I can do two jobs
- iii. Other

22. What are your working hours?

23. Do you regularly have to work overtime?

24. Are you paid for overtime work?
- If yes,
 - Same rate as men
 - Less than men
25. Have you ever been denied a job because you were married, pregnant, or had children?
26. At home who has the main responsibility for taking care of the house or children
- Wife
 - Husband
 - Mother
 - Father
 - Brother
 - Sister
 - Son
 - Daughter
 - Hired help
 - No one
 - Me
 - Other
27. When you are at work who takes care of your home?
- Wife
 - Husband
 - Mother
 - Father
 - Brother
 - Sister
 - Son
 - Daughter
 - Hired help
 - No one, I have to do it myself
 - Other

Background Note

Unionisation and collective bargaining Women are less likely to join or participate in trade union activities and therefore miss out on the benefits of membership, such as collective bargaining for fairer pay. When women are not unionized or represented at the collective bargaining table, pay levels tend to be lower for women.

28. Does your firm have a trade union?
29. Are you a member of a trade union or any workers' organization?
30. Have you ever attended a meeting of your trade union/workers' organization?

31. How many members of the trade union?

- i. Very few
- ii. About a quarter
- iii. About a half
- iv. More than half

32. Are women active members of the trade union?

- a. If no, why?
 - i. They don't have time
 - ii. They are not allowed to speak up
 - iii. They are shy to speak up
 - iv. They are not interested
 - v. Trade union meetings take place after work when women have gone home

33. What are the three main issues your trade union/workers' organization has discussed in the past one or two years?

- i. Pay
- ii. Benefits
- iii. Work environment and working conditions
- iv. Firing
- v. Training
- vi. Social security
- vii. Workplace accidents
- viii. others

34. What sort of issues do women raise in particular in trade union meetings?

Background Note

Pay discrimination Pay discrimination can take many forms, both direct and indirect. In some instances, pay rates are specifically based on whether the worker is a woman or a man, or marital status, age and ethnicity, which is clear and direct discrimination. More often, discrimination is subtle and indirect, such as paying lower wages in sectors traditionally associated with women.

35. How much are you paid a month, including all allowances?

36. Do you know if men (if the respondent is a man, ask about women) working at the same level as you are paid the

- a. Same
- b. More
- c. Less than you?
- d. Don't know

37. If a, b or c above: How do you know this?

- a. I have seen wage records
- b. People told me
- c. I just think so
- d. Other

38. Do you have any benefits?

- a. Overtime
- b. Transport
- c. Paid leave
- d. Social security
- e. others

39. Do you think it is okay if men are paid more than women?

- a. If no, why?
 - i. People doing the same work should be paid the same wages
- b. If yes, why?
 - i. men are primary earners
 - ii. men work harder
 - iii. men work longer
 - iv. other

40. Have you ever experienced discrimination (*the interviewer will explain what discrimination is*) in

- a. Recruitment (eg. questions about marital status)
- b. Pay (being paid less than someone else doing the same work or at the same level)
- c. Training
- d. Promotion (being eligible but someone less qualified getting promoted instead)
- e. Access to facilities (eg. transport)
- f. Working hours
- g. Trade union membership and elections

Background note

Workplace environment Women are sometimes deterred from seeking work in factories because of lack of facilities, such as separate toilets, or fear of harassment on the way to work or at work, and settle for less paid, less secure, home-based work instead. There is evidence that women are more likely to prefer work where employers provide facilities such as transport and subsidized food, though anecdotal evidence from Pakistan suggests women prefer to work closer to home, regardless of facilities and pay.

41. Does your place of work have:

- a. Transport for women
- b. Childcare centre or a room reserved for children
- c. Food
- d. Healthcare facility

42. How far is your home from your workplace (*or ask in terms of time, it is usually easier to judge for respondents*)

- a. Less than a kilometre (less than 15 mins journey)
- b. Between 1 and 5 kilometres (between 15 and 30 mins journey)
- c. Between 5 and 10 kilometres (between 30 mins and 1 hour journey)
- d. More than 10 kilometres (more than 1 hour journey)

43. Have you ever faced workplace harassment (interviewer will have to explain what this means?)

a. If yes

- i. Did it affect your ability to continue work?
 1. I had to leave
 2. I was scared to go to work
 3. other
- ii. Did you report it to your employer?
- iii. Did you tell your family?
- iv.

Conclusion. The interview is now complete. Thank you for answering the questions. Your input will be most useful in the research. I would like to reassure you again that your information will be treated as confidential. You may be contacted by the ILO to invite you to participate in events where the research and the recommendations will be presented. In such event, the invitation will not mention your participation in this interview. In case I need any more information I might contact you again. Thank you.

Questions for the telephone survey

Home-based workers

Introduction: (URDU) Assalam o Alaikum. My name is ABC. I work for the International Labour Organization in Pakistan. The ILO is a UN agency that focuses on issues related to the world of work. The ILO is conducting research on the garments sector in Pakistan and trying to find out what women's and men's experience of working in this sector is. In particular we are looking at issues of wages, and seeing if women's wages are different from men's wages and how.

Your number was given to us by ? I will ask you x questions. The interview will last about 20 minutes. It is most important that you understand that this interview will be completely confidential. Your name, your employer's name, and your responses will only be kept on our record. They will not be published anywhere or revealed to anyone.

Now we will begin the interview.

44. Name (the interviewer will submit only a code number to the ILO)

45. Sex:

46. Age:

47. Marital status:

- Single
- Married
- Divorced
- Widowed

48. Number of children:

49. No of people living in the home:

Background Note

Occupational sex segregation While men predominate in better paying and high status jobs, as well as holding more supervisory positions, women are concentrated in lower paying and lower status jobs with little decision-making power. This is often a result of stereotyped assumptions regarding what type of work is “suitable” for women and men. Women are also more likely to work in the informal economy, unregulated by labour laws, and therefore more vulnerable to exploitation.

50. Where do you work?

- a. Own home
- b. Someone else's house
- c. A place provided by the contractor

51. How do you get work?

- d. Through a contractor
- e. Directly from the factory
- f. My husband gives it to me
- g. Someone else gives it to me
- h. Other

52. What type of work do you do?

- a. Cutting threads
- b. Sewing buttons
- c. Sewing labels
- d. Embroidery
- e. Sewing garments (eg shalwar)
- f. Making tassels, lace or patches
- g. Packing
- h. Attaching stickers

53. How long have you done this type of work?

54. Have you ever worked in a factory?

a. If yes, why did you leave?

- i. Working hours were too long
- ii. Not paid enough
- iii. It was too far away
- iv. I needed more time to take care of the home/children/family members
- v. Not comfortable working with men
- vi. I was fired

I. If fired, why?

- a. Workforce reduction
- b. Got married
- c. Had children
- d. Took too much time off
- e. No reason given
- f. others

- b. If no, would you like to?
- If no,
 - Working hours are too long
 - The working environment is not good
 - Not paid enough
 - I don't have the training or skills required
 - Others
 - If yes,
 - Pays well
 - Pay is stable
 - Good environment
 - Can be promoted
 - Opportunities of training
 - Opportunity to meet people
 - Others

55. Have you ever been refused a job because it is 'not for women' (or 'not for men')

Background Note

Education and Training In Pakistan women tend to have fewer years of schooling than men because girls' education is seen as less useful or less economically beneficial. Women are also less likely to receive formal training. TVET institutions for men offer more employable skills development courses than women's. Men are also more likely to receive in service training especially if it involves training in technology. This discrimination in education and training translates into fewer job opportunities.

56. What is your level of education?
57. Have you received any skills training related to your current job?
- If yes, where?
 - on the job
 - training institute
 - self-taught
 - other
58. If yes, how have those opportunities benefitted you?
- can do my work better
 - pay raise
 - promotion
 - new job
 - other

Background Note

Work interruptions Men experience fewer work interruptions than women. Women often leave work to get married or have and care for children. Women with children are likely to be paid less than men, and less than other women without children. In Pakistan there is anecdotal evidence of married women simply not being considered for employment as employers feel that the marriage and childbirth affect the retention and performance of working women. Women also perform an unequal share of family and household tasks, which can take time away from their jobs and leave them with fewer opportunities for career advancement.

59. During all the time you have worked (*this can include work prior to the current job*) did you have to stop working at any time?

a. If yes:

- i. own choice
- ii. marriage
- iii. pregnancy or childbirth
- iv. caring for children
- v. caring for elderly or unwell
- vi. own illness
- vii. demand from family
- viii. fired
- ix. workplace was too far away
- x. pay was not enough
- xi. the facilities were poor (eg no separate toilets, place to rest etc)
- xii. other

b. How long did you stop working?

Background note

Part-time vs full-time work The majority of part-time workers are women, which contributes to unequal remuneration. Women may work part time by choice, but many do so because they shoulder an unequal share of family responsibilities. In some countries, gender stereotypes mean that part-time work is the only option available to women.

60. How many hours a day do you work?

- a. 1 to 4
- b. 4 to 8
- c. More than 8

61. Do you get someone to help you complete your work?

a. If yes,

- i. Friends
- ii. Daughter
- iii. Son
- iv. Husband
- v. Wife
- vi. Other

b. If yes, do you pay them?

62. Would you like to increase or reduce your workload?

a. If increase, why?

- i. I can give more time to home and family
- ii. I can do two jobs
- iii. Other

b. If decrease, why?

- i. I need more money
- ii. I have spare time
- iii. Other people have asked me to give them work

63. Do you regularly have to work overtime?

64. Are you paid for overtime work?

a. If yes,

- i. Same rate as men
- ii. Less than men

65. At home who has the main responsibility for taking care of the house or children

- a. Wife
- b. Husband
- c. Mother
- d. Father
- e. Brother
- f. Sister
- g. Son
- h. Daughter
- i. Hired help
- j. Me
- k. Other

66. When you are working who takes care of your home?

- a. Wife
- b. Husband
- c. Mother
- d. Father
- e. Brother
- f. Sister
- g. Son
- h. Daughter
- i. Hired help
- j. No one
- k. I have to do the housework after I complete this work
- l. Other

Background Note

Unionisation and collective bargaining Women are less likely to join or participate in trade union activities and therefore miss out on the benefits of membership, such as collective bargaining for fairer pay. When women are not unionized or represented at the collective bargaining table, pay levels tend to be lower for women.

67. Are you a member of a trade union or any workers' organization? (Please note which one?)
68. Have you ever attended a meeting of your trade union/workers' organization?
69. How many members your workers' organisation?
- i. Very few
 - ii. About a quarter
 - iii. About a half
 - iv. More than half
70. Are women active members of the organisation?
- a. If no, why?
 - i. They don't have time
 - ii. They are not allowed to speak up
 - iii. They are shy to speak up
 - iv. They are not interested
 - v. Trade union meetings take place after work when women have gone home
71. What are the three main issues your trade union/workers' organization has discussed in the past one or two years?
- i. Pay
 - ii. Benefits
 - iii. Work environment and working conditions
 - iv. Firing
 - v. Training
 - vi. Social security
 - vii. Workplace accidents
 - viii. others
72. What sort of issues do women raise in particular in your organisations' meetings?

Background Note

Pay discrimination Pay discrimination can take many forms, both direct and indirect. In some instances, pay rates are specifically based on whether the worker is a woman or a man, or marital status, age and ethnicity, which is clear and direct discrimination. More often, discrimination is subtle and indirect, such as paying lower wages in sectors traditionally associated with women.

73. How much are you paid a month, including all allowances?
74. Do you know if men (if the respondent is a man, ask about women) working at the same level as you are paid the
- a. Same
 - b. More
 - c. Less than you?
 - d. Don't know

75. If a, b or c above: How do you know this?
- I have seen wage records
 - People told me
 - I just think so
 - other
76. Do you have any benefits?
- Overtime
 - Transport
 - Paid leave
 - Social security
 - others
77. Do you think it is okay if men are paid more than women?
- If no, why?
 - People doing the same work should be paid the same wages
 - Other
78. If yes, why?
- men are primary earners
 - men work harder
 - men work longer
 - other
79. Have you ever experienced discrimination (*the interviewer will explain what discrimination is*) in
- Recruitment (eg. questions about marital status)
 - Pay (being paid less than someone else doing the same work or at the same level)
 - Training
 - Promotion (being eligible but someone less qualified getting promoted instead)
 - Access to facilities (eg. transport)
 - Working hours
 - Trade union or workers' organisation membership and elections

Background note

Workplace environment Women are sometimes deterred from seeking work in factories because of lack of facilities, such as separate toilets, or fear of harassment on the way to work or at work, and settle for less paid, less secure, home-based work instead. There is evidence that women are more likely to prefer work where employers provide facilities such as transport and subsidized food, though anecdotal evidence from Pakistan suggests women prefer to work closer to home, regardless of facilities and pay.

80. Does your place of work have:
- Transport for women
 - Childcare centre or a room reserved for children
 - Food

- d. Healthcare facility
81. How far is your home from your workplace (or ask in terms of time, it is usually easier to judge for respondents)
- Less than a kilometre (less than 15 mins journey)
 - Between 1 and 5 kilometres (between 15 and 30 mins journey)
 - Between 5 and 10 kilometres (between 30 mins and 1 hour journey)
 - More than 10 kilometres (more than 1 hour journey)
82. Have you ever faced workplace harassment (interviewer will have to explain what this means?)
- If yes, did it affect your ability to continue work?
 - I had to leave
 - I was scared to go to work
 - Other
 - Did you report it to your employer?
 - Did you tell your family?

Conclusion. The interview is now complete. Thank you for answering the questions. Your input will be most useful in the research. I would like to reassure you again that your information will be treated as confidential. You may be contacted by the ILO to invite you to participate in events where the research and the recommendations will be presented. In such event, the invitation will not mention your participation in this interview. In case I need any more information I might contact you again. Thank you.

Questions for Focus Group Discussions

Factory-based employees

Purpose of the discussion

- To understand the gender dynamics of employment in the garments sector, especially those factors that contribute to the gender wage gap
- To understand if these factors differ in different sizes of enterprises

Questions

83. General information

- Age
- Education
- Family size

84. Occupational segregation

- What are the three most common jobs for women in your factory?
- What are the three most common jobs for men in your factory?
- What is your current job/job title?
- How long have you worked in this factory?
- How long have you worked in your current job?
- Have you ever been refused a job because it is 'not for women' (or 'not for men')

- g) Have you ever been denied a job, promotion or training opportunity because you were married, pregnant, or had children?

85. *Education and Training*

- a) What is your level of education?
- b) Have you received any skills training related to your current job?
- c) Does your firm offer any training opportunities?
- d) Have you been considered for those opportunities?

86. *Work interruptions*

- a) During all the time you have worked (*this can include work prior to the current job*) did you have to stop working at any time?
- b) How long did you stop working?
- c) Why did you re-join (why did you start work, also for first time work)
- d) At home who has the main responsibility for taking care of the house or children
- e) When you are at work who takes care of your home?

87. *Pay Discrimination*

- a) What are your working hours?
- b) Do you regularly have to work overtime?
- c) Are you paid for overtime work?
- d) How much are you paid a month, including all allowances?
- e) Do you know if men (if the respondent is a man, ask about women) working at the same level as you are paid the
- f) Do you have any benefits?
- g) Are any deductions made from your pay in return for these benefits?
- h) Do you have to pay a commission to anyone for anything (eg labour contractor in return for securing job or work orders)
- i) Do you think it is okay if men are paid more than women?

88. *Trade union and collective bargaining*

- a) Does your firm have a trade union?
- b) Are you a member of a trade union or any workers' organization?
- c) Have you ever attended a meeting of your trade union/workers' organization?
- d) How many members of the trade union?
- e) Are women active members of the trade union?
- f) What are the three main issues your trade union/workers' organization has discussed in the past one or two years?
- g) What sort of issues do women raise in particular in trade union meetings?

89. *Workplace environment*

- a) Does your place of work have:
- b) How far is your home from your workplace (*or ask in terms of time, it is usually easier to judge for respondents*)
- c) Have you ever faced workplace harassment (interviewer will have to explain what this means?)
- d) Did you report it to your family or employer?
- e) Did it affect your ability to work?

Discussions with buying houses and brands:

Purpose of the discussion

- Understand how buyers decide to buy from certain firms and how strongly labour standards compliance factors in that decision.
- To see how far buyers understand pay discrimination, and other forms of discrimination that contribute to the gender wage gap, as contraventions of labour standards.
- To assess if pressure from international buyers has helped improve labour standards compliance generally, and if they can influence the reduction of gender discrimination, including pay inequality, in their supply chains.

Questions

1. How do you decide where to source your products from?
2. Do you have your own assessment process? What are the assessment criteria? How important is compliance in your buying decision? Within compliance, which factors are most important?
3. Are suppliers' vendors (secondary actors in the supply chain) also required to be compliant? To the same level?
4. How far does home based work form part of the supply chain in your sourcing factories? How can buyers influence compliance at the HBW level?
5. What factors constitute discrimination in your assessment and how do you measure discrimination?
6. Have you come across pay discrimination in your experience? Do you know if it is prevalent in the garments sector?
7. Which are the most common areas of non-compliance? Do you help companies move towards compliance?
8. What have been the trends of compliance over the past (x – depending on the years of experience of the interviewee) years?
9. How effective a tool is buyers' compliance requirements in influencing change in the way firms' work?
10. What can buying houses and brands do to promote gender equality in their supply chains (to help reduce the gender wage gap)?
11. How far do you coordinate with government on issues of compliance? Are there any formal or informal mechanisms to communicate with the government?
12. Is there any good practice from anywhere in the world that you would like to share where you have been able to influence gender equality in the supply chain?

Discussions with managers

Purpose of the discussion

- To understand the gender dynamics of employment in the garments sector, especially those factors that contribute to the gender wage gap
- To explore practices and proposals to increase women's employment at higher levels of work in the garments sector

Questions

90. Occupational segregation

- h) What is your current job/job title?
- i) How long have you worked in this factory?
- j) How long have you worked in your current job?
- k) Have you ever been refused a job because it is 'not for women' (or 'not for men')
- l) Have you ever been denied a job, promotion or training opportunity because you were married, pregnant, or had children?
- m) Do you know of any women who have progressed from a lower to a higher level of employment? What has made this progression possible?
- n) What sort of trends in women's employment have you seen during your experience (growing, which sectors, reasons)
- o) How can we bring more women into higher levels of employment like yours?

91. Education and Training

- e) What is your educational qualification?
- f) Does your firm offer any training opportunities?
- g) Have you been considered for those opportunities?
- h) How many of your class fellows joined work in industry (especially for women)
- i) What are your aspirations for your career?

92. Work interruptions

- f) During all the time you have worked (*this can include work prior to the current job*) did you have to stop working at any time?
- g) How long did you stop working?
- h) Why did you re-join (why did you start work, also for first time work)
- i) At home who has the main responsibility for taking care of the house or children
- j) When you are at work who takes care of your home?

93. Pay Discrimination

- j) How much are you paid a month, including all allowances?
- k) Do you know if men and women working at the same level as you are paid the same?
- l) Do you have any benefits?

94. Trade union and collective bargaining

- h) Does your firm have a trade union?
- i) Are you a member of a trade union or any workers' organization?
- j) Are women active members of the trade union?
- k) What are the three main issues your trade union/workers' organization has discussed in the past one or two years?
- l) What sort of issues do women raise in particular in trade union meetings?

95. Workplace environment

- f) Have you ever faced workplace harassment (interviewer will have to explain what this means?)
- g) Did you report it to your family or employer?
- h) Did it affect your ability to work?
- i) Do men have an issue reporting to a female supervisor?

Discussions with industry representatives

Purpose of the discussion

- To understand the causes and trends behind the gender wage gap in Pakistan, especially in the garments sector
- To explore the role employers could play in increasing the quantity and quality of women's workforce participation in the garments sector

Questions

96. What have been the general trends in female labour force participation in the textiles/garments sector in past decade or so?
97. If rising, which sectors or sub-sectors has this rise been most observed in?
98. Some researchers argue that in Malaysia and Bangladesh, employers preferred to employ women because they were willing to work at lower wages than men, therefore reducing labour costs, and making manufacturing more competitive in the export market. Do you think this holds true for Pakistan.
99. (If women and men are paid equally) there is still an observable gender pay gap in the garments sector, what can be the main reasons contributing to the gender wage gap in Pakistan?
100. How effective have compliance requirements from international buyers been in improving the application of labour standards generally, in particular discrimination, and reducing the gender wage gap.
101. How effective has government regulation been in closing the gender wage gap?
102. What has been the impact of technology on jobs? What sort of jobs have been or could be replaced by technology?
103. What can employers do to help bring more women into the workforce and into higher levels of employment?
104. Would you consider special training for women? a) industry-led training for all women at any level b) training to improve the skills of women already in work to take them to higher levels of employment (e.g. stitcher to supervisor) c) training to help women re-enter the workforce after a break d) mid-management trainee programme

Discussions with government

Purpose of the discussion

- To understand the causes and trends behind the gender wage gap in Pakistan, especially in the garments sector

Questions

105. What have been the general trends in female labour force participation in the past decade or so.
106. In countries like Malaysia and Bangladesh, the focus on exports, especially in the textiles sector, and the subsequent increase in textiles production, brought many women into the workforce and led to rapid increases in female labour force participation. Has this trend been observed in Pakistan?

107. Some researchers argue that in Malaysia and Bangladesh, employers preferred to employ women because they were willing to work at lower wages than men, therefore reducing labour costs, and making manufacturing more competitive in the export market. Do you think this holds true for Pakistan?
108. Which sectors have the highest wage gaps in Pakistan? What has been the trend of gender wage gaps in Pakistan's garments sector?
109. What are the main reasons contributing to the gender wage gap in Pakistan.
110. How effective have compliance requirements from international buyers been in improving the application of labour standards generally, in particular discrimination, and reducing the gender wage gap.
111. Is there any mechanism for the government to interact with or use the findings from the assessments international brands and their auditors make when choosing their sourcing firms? If not, how useful would that be?
112. How effective has government regulation been in closing the gender wage gap?
113. How can the government regulate discriminatory and exploitative practices in the informal economy which falls outside the purview of labour laws?
114. Can any legal cover be given to work that takes place in the informal economy but feeds into a formal sector supply chain? (Factor Act seems to have such a provision but it is rarely interpreted as that).
115. How can government mechanisms such as labour inspection be made more effective to combat discrimination and tackle the factors that contribute to the gender wage gap?
116. What are your key recommendations to close the gender wage gap, especially in the garments sector in Pakistan?

Discussions with researchers and academia

Purpose of the discussion

- To understand the causes and trends behind the gender wage gap in Pakistan, especially in the garments sector

Questions

117. What have been the general trends in female labour force participation in the past decade or so?
118. In countries like Malaysia and Bangladesh, the focus on exports, especially in the textiles sector, and the subsequent increase in textiles production, brought many women into the workforce and led to rapid increases in female labour force participation. Has this trend been observed in Pakistan?
119. Some researchers argue that in Malaysia and Bangladesh, employers preferred to employ women because they were willing to work at lower wages than men, therefore reducing labour costs, and making manufacturing more competitive in the export market. Do you think this holds true for Pakistan?
120. Which sectors have the highest wage gaps in Pakistan? What has been the trend of gender wage gaps in Pakistan's garments sector?
121. What are the main reasons contributing to the gender wage gap in Pakistan?

122. How effective have compliance requirements from international buyers been in improving the application of labour standards generally, in particular discrimination, and reducing the gender wage gap.
123. How effective has government regulation been in closing the gender wage gap?
124. What are your key recommendations to close the gender wage gap, especially in the garments sector in Pakistan?

BARRIERS TO PAY EQUALITY IN PAKISTAN:

The gender pay gap in the garment sector

This report sets out the findings of research carried out in 2016 into the gender pay gap in Pakistan's garment sector. The aim of the research was to identify the extent of the pay gap and the factors contributing to it in order to recommend measures to address it.

The gender pay gap in Pakistan as a whole is 26 per cent, significantly higher than the global average of 22.9 per cent. However, in the garment sector, which is a major employer of women in the country, this rises to 33 per cent.

While the research did not reveal widespread direct pay discrimination, it did point to a number of factors that significantly influence pay disparity. These include work segregation, with women channelled into the least well-remunerated roles, and work interruption, primarily for pregnancy and childcare. Importantly, the research reveals the significant effects on pay of women's lack of access to higher levels of education and their greater dependence on off-the-job vocational training, which has a poor return in relation to pay. Finally, low levels of trade union membership limits women's access to collective bargaining and their ability to actively influence negotiations around pay and conditions.

The report ends with a number of detailed recommendations, formulated in conjunction with a large range of stakeholders, whose implementation would help address the disparities in pay highlighted by the research.

This publication has been published within the framework of the programme Labour Standards in Global Supply Chains in Asia financed by the Government of the Federal Republic of Germany. The programme was initiated as part of a renewed partnership between the Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and the International Labour Organization (ILO). The responsibility for opinions expressed in this publication rests solely with its author(s), and its publication does not constitute an endorsement by the ILO or the Government of the Federal Republic of Germany of the opinions expressed in it.

International Labour Organization

ILO Building, G-5/2 Islamabad – Pakistan

P.O.Box: 1047, Tel: +92 51 2276456-8

Fax: +92 51 2279181-2

islamabad@ilo-org, www.ilo.org/islamabad



ISBN: 978-92-2-130947-5 (print)

