

**Protecting the Rights of The Industrial Workers: Development of Provincial Labor Laws
in Pakistan after the 18th Constitutional Amendment**

Moazzam Ali

Assistant Professor AIOU, Islamabad
moazzam.ali@aiou.edu.pk

Dr. Tahira Ifraq

Lecturer, AIOU, Islamabad
tahira.ifraq@aiou.edu.pk

Dr. Hafsa Abbasi

Lecturer, AIOU, Islamabad
hafsa.abbasi@aiou.edu.pk

Atifa Nasir

Assistant Professor, AIOU, Islamabad
atifa.nasir@aiou.edu.pk

Abstract

This paper presents a review of the labor laws enacted in different provinces of Pakistan after the 18th constitutional amendment that devolves the labor department to the provinces. This step marks a significant change in the labor legislation in Pakistan as old colonial era labor laws were updated and some new laws were also introduced. This study seeks to trace the origin of labor laws in Pakistan and their subsequent development within the broader constitutional framework. Along with this, we present a comparative analysis of the labor laws enacted by the provincial governments after the 18th amendment in the Constitution of Pakistan. This study seeks to document the labor laws development from independence to the present times.

Keywords: *Protection, Fundamental Right, The Industrial Workers, Provincial Labor Law, 18th Constitutional Amendment*

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1. Introduction:

Pakistan is rich in terms of number of laws made for labor rights with a long history and these laws originate from colonial rule. These early laws, such as the Factories Act of 1934, were designed primarily to protect industrial workers while balancing the interests of British colonial businesses. After independence in 1947, Pakistan inherited most of the laws from colonial era. The laws were changed slightly in order to modernize but these changes are not enough or fully effective for development of labor class. After independence slight changes were made to the existing laws including increments in the salaries of labor to address emerging challenges, but it wasn't until the 18th Amendment to the Constitution in 2010 that a major shift occurred. This amendment gave labor law making power to provincial governments. This decision lead to a new era of localized labor regulations and laws. This transition empowered provinces to craft laws that reflect regional

economic realities and labor market demands, resulting in a diverse and evolving legal landscape. Many laws were made after this amendment at provincial level.

This article gives an overview of labor laws in Pakistan, at federal as well as provincial level. It also examines and comment on how the 18th Amendment reshaped labor legislation at the provincial level, marking a significant turning point in the legal protections for workers across the country. This article will a help for those who want to see the development and existence of different types of labor laws at state and provincial level. Pakistan being a colonial state, has unfortunately inherited many laws from colonial ere. That is the reason labor laws in Pakistan have evolved through a long and complex history, heavily influenced by colonial and British-era legal frameworks. These laws were originally designed to regulate labor conditions during the industrial revolution in India, where British interests sought to balance worker protection with the expansion of colonial industries. Over the years, Pakistan inherited these regulations after the partition in 1947 and has since reformed them to address the country's specific needs. These laws were primarily made to serve the colonial rule and suppress the labor class in a way that they do not create hurdles for the colonizers. These laws were not in the interest of this land.

2. Development of Labor Laws from Independence to 18th Amendment:

Laws inherited from pre-partition period, did less to reform the condition of labor class. These laws were originated with aim of addressing rising demand of regulating labor class in factories and industries of British India, where terrible condition of labor class was on the rise. These laws were introduced by British government in a series with the purpose of regulating labor in factories and industrial enterprises. These laws were designed to address the rising demand for labor regulation in an industrializing India, where poor working conditions and labor exploitation were rampant. One of the major pieces of law from this era was the Factories Act of 1934, which aimed at regulating the conditions of workers, especially in factories. This law regulated the working hours, minimum ages of employment as a labor, and other safety parameters. It primarily focused on industries which were critical to colonial economy. These laws are not still implemented with honesty making the labor class more miserable. There were other laws as well which were enacted such as, the Workmen's Compensation Act of 1923 and the Trade Unions Act of 1926. The Workmen's Compensation Act provided for compensation to workers injured in the course of employment, while the Trade Unions Act laid the foundation for the registration and recognition of labor unions, though it was limited in scope and effectiveness due to colonial interests that favoured business owners over workers.

After gaining independence in 1947, Pakistan inherited the British colonial legal framework, including its labor laws. Initially, the newly formed state made few changes to these inherited laws, as the country's primary focus was on nation-building and economic recovery. But the upcoming decades saw different attempts to improve and modernize labor laws to reflect the socio-economic conditions of Pakistan. One of the significant pieces of legislation during this period was, Industrial Relations Ordinance (IRO) of 1969, it mainly dealt with regulating employer and employee relations, and it provided a legal methods in order to resolving industrial disputes. This law also provided the legal framework for selection of collective bargaining and gave a method for the formation of trade unions, a major step forward in labor rights in Pakistan. The law, however, faced criticism from various quarters for being skewed towards employers and failing to adequately address the concerns of the workers.

Other major developments in legislation of labor law includes enactment of Employment of Children Act of 1991, it aimed at overcoming prevalent issues of child labor in the state. These significant pieces of legislations, the implementation of these laws is still a matter of concern, and

labor exploitation, particularly of children, continue to persist. After independence, for decades, labor legislation in Pakistan were mostly centralized, with the federal government playing a dominant role in the formulation and enforcement of labor laws. This centralization limited the scope of laws to be adaptive to the specific needs of various regions within the country, which had different economic realities and labor market demands. But after eighteenth amendment the powers of legislation was given to provincial governments for legislation according to their needs.

3. Development of Provincial Labor Laws:

The main difference in legislation of labor laws occurred after, 18th Amendment to the Constitution of Pakistan in 2010 which gave powers to provincial governments. It proved to be a major shift in the legislative power structure of the country, devolving authority over a number of subjects, including labor, from the federal government to the provincial governments. The purpose of giving these powers of law making to provinces was to grant them greater autonomy for addressing regional labor issues and crafting laws that better reflected local economic and social realities. After this amendment a new scenario of legislations at provincial lever started. Provinces were given powers to legislate according to their requirements regarding their unique industrial environments. After the 18th amendment in the constitution of the Islamic Republic of Pakistan, the subject of labor has been devolved to the provincial administration. To fulfill their regulatory obligations, the provinces have developed their own labor laws and regulations.

A brief overview of some of these provincial labor laws is given here:

3.1.Punjab:

Title of the Law	Description
Factories Act 2012	This act was enacted to regulate the factories working in the Punjab province. The objective of this law is to prescribe a set of instructions to be followed for ensuring the safety of workers in the factories.
Punjab Shops and Establishment Act 2014	This law deals with the business organizations where ten or lesser number of employees is working. The objective of this law is to prescribe a set of facilities for the workers along with the instructions for leaves, termination, wages, working conditions etc.
The Industrial and Commercial Employment (Standing Order) Act 2012	This law deals with the business organizations where 20 or more persons are working. It specifies the guidelines for the employment, leave, overtime, record keeping etc. of the employees working in an industrial establishment.

Punjab Industrial Relations Act 2010	This act was promulgated to develop guidelines for the establishment of trade unions and collective bargaining agent in the industrial sector in Punjab. It specifies the procedures for voting, strikes, negotiations with employers, labor courts etc.
Workers Welfare Ordinance 1971	This act was introduced to provide a set of welfare assistance (education, health etc.) to the workers of the industrial sector. The companies are required to deposit 2% of their profits in this head.
The Punjab Domestic Workers Act 2019	This law provides legal cover to the domestic workers who perform the household activities. It provides guidelines regarding their leaves, wages, termination, benefits etc.
The Provincial Employees Social Security Ordinance 1965 (Amended 2014)	This law covers the various social protection measures for the employees including sickness, injury, health, death grants etc. The objective of this is to provide for a collective social plan by taking financial contribution from the employers for the welfare of the employees.
The Minimum Wages Ordinance, 1961	The minimum wage law has been developed to prescribe a certain threshold of minimum wage for the unskilled workers in an industrial establishment. The minimum wage board proposes the living wage for workers.

3.2. Khyber Pakhtunkhwa:

Title of the Law	Description
Industrial Relations Act 2010	This act was promulgated to develop guidelines for the establishment of trade unions and collective bargaining agent in the industrial sector in Punjab. It specifies the procedures for voting, strikes, negotiations with employers, labor courts etc.
Shops and Establishments Act, 2015	This law deals with the business organizations where ten or lesser number of employees is working. The objective of this law is to prescribe a set of facilities for the workers along with

	the instructions for leaves, termination, wages, working conditions etc.
Prohibition of Employment of Children Act, 2015	This act calls for the prohibition of the employment of the children in the industrial and commercial establishment. The objective of this law is to prevent the abuse of child labor in the business organizations.
Payment of Wages Act, 2013	This act prescribes the working hours and the guidelines regarding the payment of wages to the workers. It specifies the mechanism and methods for the payment of wages to the various classes of the industrial workers.
Minimum Wages Act, 2013	The minimum wage law has been developed to prescribe a certain threshold of minimum wage for the unskilled workers in an industrial establishment. The minimum wage board proposes the living wage for workers.
Industrial and Commercial Employment (Standing Orders) Act, 2013	This law deals with the business organizations where 20 or more persons are working. It specifies the guidelines for the employment, leave, overtime, record keeping etc. of the employees working in an industrial establishment.
Factories Act, 2013	This act was enacted to regulate the factories working in the Punjab province. The objective of this law is to prescribe a set of instructions to be followed for ensuring the safety of workers in the factories.
Workers Compensation Act, 2013	This act specifies the compensation to be paid to the industrial workers in the case of injury, disability etc. The compensation in the form of monetary benefits has been discussed in detail in this law.
Bonded Labor System (Abolition) Act, 2015	The objective of this law is to prescribe punishment for engaging the labor in forced ways. This act specifies the legal

	mechanism for reporting and prevention of the bonded labor in the industrial and commercial establishments.
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3.3. Sindh:

Title of the Law	Description
Sindh Industrial Relationship Act 2013	This act was promulgated to develop guidelines for the establishment of trade unions and collective bargaining agent in the industrial sector in Punjab. It specifies the procedures for voting, strikes, negotiations with employers, labor courts etc.
Sindh Payment of Wages Act 2015	This act prescribes the working hours and the guidelines regarding the payment of wages to the workers. It specifies the mechanism and methods for the payment of wages to the various classes of the industrial workers.
Sindh Shop & Commercial Establishment Act 2015	This law deals with the business organizations where ten or lesser number of employees is working. The objective of this law is to prescribe a set of facilities for the workers along with the instructions for leaves, termination, wages, working conditions etc.
Sindh Factories Act 2015	This act was enacted to regulate the factories working in the Punjab province. The objective of this law is to prescribe a set of instructions to be followed for ensuring the safety of workers in the factories.
Sindh Workers Compensation Act 2015	This act specifies the compensation to be paid to the industrial workers in the case of injury, disability etc. The compensation in the form of monetary benefits has been discussed in detail in this law.
Sindh Payment of Minimum Wages Act 2015	The minimum wage law has been developed to prescribe a certain threshold of minimum wage for the unskilled workers in an industrial establishment. The minimum wage board proposes the living wage for workers.

Sindh Companies Profits (Workers Participation) Act 2015	This law entitles the workers to the profits of the industrial establishment. The industrial establishments are required to share 3% of their profits with the workers.
Sindh Bonded Labour (Abolrtion) Act 2015	The objective of this law is to prescribe punishment for engaging the labor in forced ways. This act specifies the legal mechanism for reporting and prevention of the bonded labor in the industrial and commercial establishments.
Sindh Employees Social Security Act 2016	This law covers the various social protection measures for the employees including sickness, injury, health, death grants etc. The objective of this is to provide for a collective social plan by taking financial contribution from the employers for the welfare of the employees.

3.4. Baluchistan and Islamabad Capital Territory (ICT):

Title of the Law	Description
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The Workers Welfare Fund Ordinance, 1971	This act was introduced to provide a set of welfare assistance (education, health etc.) to the workers of the industrial sector. The companies are required to deposit 2% of their profits in this head.
The Minimum Wages Ordinance, 1961	The minimum wage law has been developed to prescribe a certain threshold of minimum wage for the unskilled workers in an industrial establishment. The minimum wage board proposes the living wage for workers.
The Workmens Compensation Act, 1923	This act specifies the compensation to be paid to the industrial workers in the case of injury, disability etc. The compensation in the form of monetary benefits has been discussed in detail in this law.
Companies Profits (Workers Participation) Act, 1968	This law entitles the workers to the profits of the industrial establishment. The industrial establishments are required to share 3% of their profits with the workers.
Provincial Employees' Social Security Ordinance, 1965	This law covers the various social protection measures for the employees including sickness, injury, health, death grants etc. The objective of this is to provide for a collective social plan by taking financial contribution from the employers for the welfare of the employees.
The Factories Act, 1934	This act was enacted to regulate the factories working in the Punjab province. The objective of this law is to prescribe a set of instructions to be followed for ensuring the safety of workers in the factories.

4. Conclusion:

To sum up the labor related legislation in the different provinces of Pakistan. This legislation is evident of the fact that provinces are increasing their efforts in ensuring the labor rights for their people. However, the enforcement mechanism is still weak, and the large number of SMEs are still operating outside the preview of these labor laws. There is a dire need to enhance the operational capacity of the provincial labor departments for increasing enforcement and ensure compliance with the labor laws.

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Sindh Payment of Wages Act 2015
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The Factories Act, 1934
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