



# **PROPOSED LABOUR LAW REFORMS FOR THE ISLAMABAD CAPITAL TERRITORY**

1. Islamabad Capital Territory Employment of Women (Amendment) Bill 2022
2. Islamabad Capital Territory Prevention and Prohibition of Forced Labour Bill 2022
3. Islamabad Capital Territory Platform Workers Protection Bill 2022
4. Islamabad Capital Territory Employment in Microenterprises Bill 2022

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## STATEMENT OF OBJECTS AND REASONS

Although women constitute 49% of Pakistan's 214 million population, they are only 22% of the labour force. The 2018 Labour Force Survey by the Pakistan Bureau of Statistics further indicates that Labour Force Participation Rate (LFPR) for men (81%) is more than three and a half times higher than that of women (23%). The gender gap in LFPR is one of the world's highest.

Article 25 of the Constitution of Pakistan guarantees equal treatment of all citizens and provides that there shall be no discrimination based on sex whilst simultaneously allowing the state to carry out affirmative action to protect women and children. Similarly, Article 18 of the Constitution of Pakistan allows every citizen to enter upon any lawful profession or occupation.

In line with the above Constitutional guarantees, the Bill proposes reforms in various labour laws proposing the establishment of daycare centres; allowing night work of women and provision of safe transport; provision of separate toilet facilities for women at workplaces; prohibition of discrimination on the grounds of gender, sex, marital status, pregnancy, and family responsibilities; prohibition of victimisation; provision of equal pay for work of equal value; protection from dismissal during pregnancy; paid nursing breaks; and increased maternity leave.

## TOPICS COVERED

- Rooms for workers' children in factories (removing linkage with women only)
- Restriction on working hours for women
- Restrictions on occupations for women (limiting hazardous occupations only for the pregnant and nursing women)
- Provision of safe transport facility (applicable to the major shopping centres as well)
- Daycare rooms at the office with the option to establish joint daycare centres in a locality
- Separate toilet facilities at offices for women (no provision in Shops and Establishments Ordinance 1969)
- Non-discrimination provision (currently no provision on non-discrimination on various grounds in labour laws in ICT, except disability)
- No discrimination in Wage Payment
- 14 weeks of maternity leave
- Protection from dismissal during pregnancy (and four months afterwards)
- Nursing breaks for women workers after childbirth (one hour per day till the child is 12 months old)

## LAWS AFFECTED

Maternity Benefits  
Ordinance, 1958

The Factories Act,  
1934

Payment of  
Wages Act, 1936

The Shops and  
Establishments  
Ordinance, 1969

Industrial and  
Commercial  
Employment  
(Standing Orders)  
Ordinance, 1968

# ISLAMABAD CAPITAL TERRITORY PREVENTION AND PROHIBITION OF FORCED LABOUR ACT, 2022



## STATEMENT OF OBJECTS AND REASONS

In 1988, the Supreme Court of Pakistan took up the Darshan Masih case as the first public interest litigation on workers' rights in the country. The Supreme Court ruled in 1990 that debt bondage in brick kilns was forced labour. The case paved the way for the enactment of the Bonded Labour System Abolition Act 1992. During the last 28 years, hardly any convictions have taken place under the BLSA 1992 or its provincial variants. The majority of the bonded labour victims were released under the habeas corpus (unlawful detention) provisions of the Pakistan Penal Code.

All provinces have enacted new legislation on bonded labour after 2010. The current bonded labour legislation covers only one form of forced labour, i.e., debt bondage. While debt bondage still affects nearly half of all victims of forced labour worldwide, forced labour has also mutated into modern slavery, negatively impacting millions of workers.

The menace of forced labour is discussed only in the Constitution (Art. 11.3), BLSA 1992 and its recent provincial variants, the forced labour and its various aspects are covered under the Pakistan Penal Code, anti-trafficking legislation, emigration laws, the Payment of Wages Act, 1936 (and its provincial variants), Employment of Children Act (and its recent provincial variants including the legislation on brick kilns), tenancy legislation at the provincial level, factories and shops & establishments legislation, legislation covering the so-called excluded workers (like agriculture, domestic, and home-based workers) and standing orders legislation.

## TOPICS COVERED

The law covers all manifestations of forced labour including but not limited to exploitative contractual systems including forced overtime beyond limits imposed in law, undue deductions from wages or withholding of wages, debt bondage, worst forms of child labour, state-imposed forced labour (prison labour), trafficking, and sexual exploitation.

## LAWS AFFECTED

Bonded Labour System  
Abolition Act, 1992

Employment of  
Children Act, 1991

Payment of  
Wages Act, 1936

Pakistan Penal  
Code 1860

Industrial and  
Commercial  
Employment  
(Standing Orders)  
Ordinance, 1968



## STATEMENT OF OBJECTS AND REASONS

The gig or platform economy is a combination of online/digital marketplaces for engaging individuals for short-term tasks. These mini marketplaces are also referred to as digital labour platforms. It represents non-standard forms of employment where it is difficult to assess whether the relationship governed by digital labour platforms is autonomous or subordinate in nature. Independent contractors, affiliates or partners (terms used for those working with platforms) have no access to the workplace rights available to a worker in a 'subordinated' employment relationship.

In the platform economy, 'work on-demand via apps' matches the worker and the client digitally and the work is performed locally. Activities include transportation, food or grocery delivery and various domestic services. This app-based or location-based platform economy provides non-standard employment on precarious contracts with digital on-demand platforms.

Pakistan's location-based platform economy has rapidly developed in the previous few years. Since the introduction of ride-hailing, food delivery and domestic services by the end of 2015, the population has increasingly relied on these. Moreover, the platform economy has opened up pathways to livelihoods for a swath of the population. Estimates indicate more than one million have found employment in the country's physical gig economy, with the majority engaged in ride-hailing and delivery services.

Location-based platform workers are part of a larger informal economy without access to any social protection benefits. There is a dire need to make the gig economy fairer, according to the 2030 Sustainable Development Agenda.

The current labour regulations in Pakistan are not, at present, applicable to the gig economy. Even where labour regulations could be applicable as in the formal sector, weak infrastructure and lack of willingness on the part of the labour department has created an environment of lack of compliance. As platform work involves "work", it would, logically, be governed by labour law frameworks.

## TOPICS COVERED

- Standalone employment law for gig workers with full coverage of employment and working conditions
- Employee status with access to fundamental labour protections/rights including equality of treatment and non-discrimination
- Employment Contracts
- Access to Social Security
- Data Protection/data portability
- Transparent use of algorithms



## LAWS AFFECTED

Minimum Wages Ordinance 1961

Industrial Relations Act 2012

Employees Old-Age Benefits Act

Provincial Employees Social Security Ordinance

Like domestic & home-based workers legislation, this will be a standalone bill, incorporating most rights instead of referring to other laws. The following laws will still need amendment



## STATEMENT OF OBJECTS AND REASONS

Pakistan is home to an abundance of microenterprises employing less than 10 workers. As per the 2018 Labour Force Survey, nearly 45% of the total employed labour force and 81% of the non-agricultural private sector workforce, or 26.89 million people, are employed in microenterprises in Pakistan. Considering the technological progress, most of the start-ups are microenterprises.

However, the laws in Pakistan either do not cover microenterprises or are too taxing for microenterprises to be able to comply. In order to promote decent work across all spheres and levels of employment in Pakistan, dedicated microenterprise laws and regulations that facilitate their growth and compliance capacity must be introduced. Not only are microenterprises principal to economic growth, but they may also serve as central avenues to promote female labour force participation and women empowerment. According to Karandaaz, microenterprises employ “2.6 persons on a full-time basis – 40 per cent of these are women”. Facilitating the growth of microenterprises would facilitate gender equality.

## TOPICS COVERED

- Working Hours
- Various kinds of leave (annual leave, sick leave, maternity leave)
- Occupational Safety and Health
- Dismissals, Notice Period and Severance Pay
- Consultation of Employees (Works Councils)
- Social Security
- Minimum Wage
- Employment Contracts

## FUNDAMENTAL LABOUR RIGHTS

- Freedom of Association and Collective Bargaining
- Elimination of Forced Labour
- Abolition of Child Labour
- Elimination of Discrimination in the Workplace

## LAWS AFFECTED

This will also be a standalone bill though the following laws will be affected

Minimum Wages Ordinance 1961

Industrial Relations Act 2012

Provincial Employees Social Security Ordinance

Employees Old-Age Benefits Act