



FAIR LABOR
ASSOCIATION®



July 19, 2018

Secretariat of Wages Board of Sindh Province
Islamic Republic of Pakistan
Karachi, Pakistan

Subject: Sindh Province Minimum Wage Setting Procedure

Dear Members of Sindh Wages Board:

We, the representatives of the undersigned organizations, are writing to express our concerns regarding the minimum wage setting procedures followed by the Sindh Minimum Wages Board. Since wage setting responsibility devolved to the provincial governments in 2011, we have noted an increase in unfair wages for workers. We believe that setting the appropriate wage through the Wages Board, rather than relying on the discretion of employers, provides for better outcomes for semi-skilled and skilled workers. (For more information: http://www.fairlabor.org/sites/default/files/documents/reports/may_2018_legal_minimum_wages_in_pakistan.pdf)

Currently the minimal guidance from the Wages Board to the employers is insufficient as it does not clearly state how the wages between skilled, semi-skilled and unskilled workers should be differentiated. In practice, we have found that most factories have taken advantage of this lack of clarity and direction and have used the unskilled minimum wage level as a flat minimum wage and implemented it regardless of the skill level of the workers. In the factories that have differentiated wage levels, the difference in wage levels is minimal, and thus does not reflect fair wages for skilled workers.

As the Sindh Wages Board begins preparations for setting the 2018 minimum wages for the Sindh Region, we would like to take this opportunity to underline the importance of the Board fully executing its responsibility and using its tripartite and consultative mechanism to specify the minimum wage rates for skilled and semi-skilled workers in different industries as of this year to prevent a decrease in wages for semi-skilled and skilled workers.

The work of the Sindh Wages Board is critical to the livelihood of workers in many sectors. We look forward to providing any additional information you may need as you evaluate and set wages.

Sincerely,

Fair Labor Association
Labour Education Foundation (LEF)
Pakistan Institute of Labour Education and Research (PILER)