PAKISTAN
2015 Factory Assessment Cycle

COUNTRY CONTEXT
Of all the factories submitted by company affiliates to the FLA for potential assessment visits, 58 (1.2 percent) are located in Pakistan. Since 1947, Pakistan has grown to become the world’s sixth most populous country, now home to nearly 190 million people.1 In recent years, high oil prices and an unreliable energy supply have led to high inflation rates.2 The major floods of 2010 and 2011 damaged infrastructure, which in turn slowed labor output.3 Elections in 2013 represented the first successful transition between democratically-elected governments in Pakistan’s history, and this new political stability aided the successful implementation of new economic reforms.4 However, the US State Department reported that Pakistan’s governmental “enforcement of national labor regulations was ineffective due to limited resources and inadequate regulatory structures.”5 While women continue to face societal and educational barriers to labor force participation, Pakistan’s first domestic workers’ trade union formed in 2015 works to improve women’s skills and employment in the informal economy.6 The second largest employment sector in Pakistan, garment and textile manufacturing employed 15 million people in 2015, representing 30 percent of the country’s total workforce.7 Pakistan is the fourth largest global producer of cotton, so the garment and textile sector strongly depends on this material for production; however, the limited diversity of export products hampers the Pakistan’s competitiveness in the global economy.8

TOP FINDINGS IN 2015
Emergency preparedness, ergonomics, chemical management, and on-site first-aid
Assessors found all six factories in need of improvement in their preparedness for emergency evacuations and in the ergonomic design of their workstations to reduce worker strain. For example, in checking for fire safety measures, assessors noted a lack of emergency evacuation plans, missing or unlabeled fire extinguishers, blocked exits, or other safety violations at all six factories. In one factory, the lack of emergency preparedness was combined with a major fire hazard – uncovered and unprotected diesel oil stored next to a power generator. In addition, five factories were found to require improvement of their chemical management procedures, machinery safety procedures, and readiness to provide first-aid to workers.

*The “Employment Relationship” code element allows assessors to review whether facilities maintain adequate policies, procedures, and records to achieve exemplary performance on other parts of the FLA Code. Remediation of findings related to the numerous “Employment Relationship” benchmarks will support sustainable improvement across all factory systems.

**Protected workers**
Assessors found that all six factories did not maintain the necessary records identifying certain categories of workers - such as pregnant workers, new mothers, and young workers under the age of 18. These protected workers are entitled to legal protection regarding work hours; without proper factory documentation, there is no way to ensure that these workers are protected from various hours of work violations.

**Unions and worker representation**
None of the assessed factories had a functioning union in place, though each had established at least a nominal “worker-management council,” as required by law in Pakistan. In four of the six factories, however, assessors found evidence that these councils may not truly serve worker interests; for example, most factories did not provide space for the worker-management council to meet, did not explain any role for the council in the factory’s policies and procedures, or dominated council membership with management representatives.

**Insufficient annual leave**
Assessors reported that four out of the six factories provided insufficient annual leave to workers. Some factories were found not to provide for the 14 days of annual leave legally due to workers who have served for more than 12 months of employment, while others were found not to allow for 16 days of sick leave annually, as required by law.

**Recurrent use of temporary workers**
Assessors discovered that at one factory, 564 out of 697 workers (or 80 percent) were working as “temporary workers” for a fixed period of nine months. Assessors found evidence that after these workers’ temporary terms expire, they are rehired again after a break of ten days, again as temporary workers, which releases the factory from the responsibility of providing benefits, annual leave, or seniority status to which permanent employees would be entitled. This practice violates the law in Pakistan, which permits the practice as legal “if done once or twice,” but forbids it “when the practice becomes routine.” The FLA Workplace Code of Conduct even more strictly defines acceptable practices for employing temporary workers to prevent employers from building a permanent workforce from repeated temporary contracts.9 The FLA Code permits recruitment of temporary workers only for clearly defined circumstances, such as temporary replacement of workers on maternity leave, situations that require professional expertise outside of the permanent workforce, and times of unexpected production volumes necessitating a larger labor force.

**REMEDICATION**
As part of the factory assessment process, companies craft action plans to address findings of noncompliance and work with factories to implement them. For example, to improve hazardous chemical management procedures, one factory is working to ensure that all chemicals are labeled correctly in the local language, and arranging for a licensed waste collector to manage the disposal of hazardous materials. To address findings of ergonomics issues, this factory is also installing anti-fatigue mats and instituting stretch breaks to reduce bodily strain for workers. **Find the latest progress on all remediation activity in the “Workplace Monitoring Reports” section of the FLA website.**

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3. Ibid
4. Ibid
9. See ER.7 and ER.8 under “Employment Relationship” in the list of benchmarks for the FLA Workplace Code of Conduct (http://www.fairlabor.org/sites/default/files/fla_complete_code_and_benchmarks.pdf). Although FLA assessors found recurrent use of temporary workers at only one out of six factories, a brand sourcing from this factory reports further instances found by its own internal monitoring program in Pakistan.