

# Gender Discrimination in the Implementation of Minimum Wage in Hattar Industrial Zone Haripur Khyber Pakhtunkhwa (Pakistan)

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## To cite this article:

Mukhtar Javed, Shahzada Muhammad Ussama Ghazali. Gender Discrimination in the Implementation of Minimum Wage in Hattar Industrial Zone Haripur Khyber Pakhtunkhwa (Pakistan). *Advances in Sciences and Humanities*. Vol. 4, No. 1, 2018, pp. 12-15.

doi: 10.11648/j.ash.20180401.12

**Received:** March 14, 2018; **Accepted:** April 27, 2018; **Published:** May 10, 2018

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**Abstract:** With reference to the Action Research Course jointly sponsored by Church world Service Pakistan (CWSP) and Free and Fair election network (FAFEN), it was expected that in HIE, the food factories are involved in gender discrimination while implementing minimum wage act and pay less salaries to women workers as compare to men. The major objective of this research study is to know about the ground realities women are facing regarding to Gender Discrimination, Labor Law, Civil and Social Law's, and Social, Financial and Occupational Safety. In this regard, Semi Structure Interviews (SSI) of women and men workers of Factories was taken. It is concluded that inequality in achievement of occupations is an astounding wonder between male and females. It is additionally discovered that not a single factory had a Union or Collective Bargaining Agent (CBA). This means that workers have no channel to raise their voices against any discrimination they face. The probability of harassment at the hand of owner or male supervisor is high. Government should make some solid developments for unbiased work opportunities, improving institutions and framework.

**Keywords:** Gender Discrimination, Wage Differentials, Low Wage, Hattar Industrial, Huripur, Pakistan

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## 1. Introduction

Over the last six decades, a series of policies have been designed for resolving the issues of unemployment in Pakistan. The government has tried to promote the labor-intensive techniques by implementing the policies of tax exemption, and facilitating medium and small industries but the issue remains as intense as ever. If a thorough analysis of the Government for employing labor is done, it can be observed that most of these policies are not entirely free of gender discrimination. Besides the discrimination, which is clearly manifested in most of the Government's policies for labor employment, there are other lots of cultural, social, and economic constraints upon the female labor force.

The constraints and policies designed so far have given rise to the issues of gender discrimination in the labor market of Pakistan. Since most of the policies designed for economic growth or stability in the country, are based on the promotion

of export, the export industries rigidly believe in the employment of skilled or highly skilled labor force. [1]

Owing to the many socio-cultural constraints and lack of vocational training, a huge majority of female labor force is not acquainted with the new technology. This phenomenon encourages hostility against the female labor force in the industries. To top it all the meager wages offered to the female labor force do not prove to be much of an incentive for them.

Women have made great advances in work related skills, in their labor force participation and in their occupational status but unequal wages still indicate a considerable differences between the great contribution which women make and little benefit they receive from it. [2]. According to Human Development Report 1998, in almost all the societies, relative to men, women are concentrated in low paying jobs, generally overrepresented in clerical, sales, services occupation, often works long hour, and much of their work

remains undervalued, unrecognized, and unappreciated. [3]

The issue of gender wage inequality in the labor market is also imperative in a country like Pakistan where female constitute almost half of the population and are involved in production directly or indirectly, but do not have access even to their own earning [4]. Recent research shows that rising unemployment rate among male and female may affect the performance of female in the labor market. [5]

### 1.1. Different Aspects of Labor and Laws in Pakistan

Women workers are the weakest section of the society, vulnerable to safeguard their rights. In Pakistan, there are about 89 laws on different aspects of labor [6]. These laws can be divided into three categories;

- (a) To improve the working condition
- (b) Guaranteed various welfare facilities outside the workplace
- (c) Issues in the realm of human rights.

Any dispute arising between employees and employers and the various welfare institutions there is elaborated judicial machinery consisting of labor courts, labor tribunals, and National Industrial Relations Commission (NIRC) [7]. All this administrative and judicial machinery are designed to ensure respect for the law and to prevent any individuals from taking the law into their own hands and deprive others of the rights that law provides them.

### 1.2. Hattar Industrial Estate

Like other industrial states of the country, Hattar Industrial Estate (HIE) plays significant role in the economy of Pakistan. The HIE is located at Kot Najeebullah, Haripur, a district in KPK Pakistan, 65 km from federal capital, Islamabad, and 145 Km from provincial capital, Peshawar. HIE is the ninth largest Industrial estate in the country, established in 1985 over an area of 1,063 acres. [8] The establishment of the industrial units was expected to result in increased revenues for the government in the form of taxes and duties as well as large number of employment opportunities. It was anticipated that diverse industries installed in a neglected area would bring in interactions between different industrial units to provide supporting services to each other and ready access to market for intermediate and finishing goods within and out of estate.

## 2. Materials and Methodology:

A qualitative method of inquiry is used to pre-determined set of open questions (questions that prompt discussion) with the opportunity for the interviewer to explore particular responses further regarding to the research topic. In this regard Semi Structure Interview (SSI) method was used for women and men workers of 5 food factories of HIE. Also In order to triangulate the research the factory owners/management point of view was also taken into study. Each interview was taken and analyzed by the researcher personally.

### 2.1. Issues Identified in HIE Food Factories

(a) Age: A Women worker in food factories falls in the age bracket of 15-62.

Average age of women workers is 32

The age of men workers range from 21 -48

Average age of men is 34.

(b) Marital Status: 61% women interviewed were married. 39% Unmarried.

27% Widowed or divorced.

73% were doing their job due to poverty and unemployment.

All the men interviewed were unmarried except two.

(c) Number of children: Average children of women workers is 5.

Men workers (2% married in the sample) is 6.

### 2.2. Reasons of Job as Worker

Following were the answers of women workers interviewed in 5 food factories;

- a. Poverty and unemployment
- b. No earning hand in the family
- c. Widow
- d. Because of death of father
- e. To support the family
- f. To meet daily house expenditures
- g. Father is handicapped
- h. Orphan and illness of brother
- i. Husband is on bed because of accident
- j. Divorce

Work Experience in Years: Average working experience of women workers is 5 year.

Job Satisfaction Level: Not all the women and men interviewed were satisfied with the environment.

Pay Scale: All the women and men interviewed were dissatisfied at their pay scale.

Labor Rights: All the women and men interviewed were ignorant about any labor law.

There are no information displayed on the factories notice board about the rights and obligations of workers thus violation of labor laws.

Minimum Wage Act: Almost all the women and men interviewed were ignorant about any labor law.

## 3. Discussion

When factory owners/management were interviewed, their responses were as follow:

- (a) MD English Biscuit Manufacturing (EBM) said that they are paying 7000/month to women and Rs 8000/month to men workers. They also provide free pick and drop to women workers according to them.
- (b) MD Mecca Kola said that they are paying Rs.4500/month to women and Rs.5000/month to men
- (c) MD Capital Food said that they are paying 4500/month to women and 5500/month to men workers.
- (d) MD Young Food said that they are paying

7000/month to women with free pick and drop and 8000/month to men workers.

- (e) Representative of Hunza food said that they are paying 4000-4500/month to women workers and 5000/month to men workers depending on their experience.

**3.1. Duty hours**

Under Section 34 of the Factory Act 1934, No adult worker shall be allowed or required to work in a factory for more than 48 hours in a week, or where the factory is a seasonal one, for more than 50 hours in a week and under [9]. Section 47 of the Act where a worker in a factory works for more than nine hours in any day or more than 48 hours in any week, he/she will be entitled to overtime pay at the rate of twice his ordinary rate of pay [10].

In 3 out of 5 sampled food factories HIE the workers were denied the facility of overtime. Mostly employers have shifts of 12 hours, an utter violation of labor law. There is no concept of overtime in these industries. In some factories like EBM and Young Food Overt Time (OT) is given but on flats rates and most of the workers are unaware about the OT formula. The duty hours for women workers range from 8-10

hours/day. Average duty hours are 9/day in all sampled factories except EMB and Mecca Kola where duty hours are 12/day.

**3.2. Monthly Family Expenditure**

According to women workers monthly family expenditure of their houses of 6 people ranges from Rs.9000-12000/month. The average is Rs.9555/month. While men worker answered with Rs. 15000/month.

Monthly income to support the family in all respect:

Women’s answer was Rs. 9000/month while men’s answer was Rs.15000/month. Employees are not provided enough to have a balance diet; employees do not have well clad children and ourselves. In case of emergency, employees have to take loan from relatives or loan on heavy interest from other people around. Major chunk of their salary is spent on paying back loan money with heavy interest, said women workers. Price hike badly affect our monthly income. In the market, the rates of pulses, onion, tomato, and ghee are at the highest. Women employees complained about not being able to provide for their family members, especially the children, a balance diet

*Table 1. Women responses regarding to monthly income.*

Questions	Responses of Women respondents
How you manage to fulfil monthly budget	a. Sewing and stitching dresses for neighbours b. Embroidery after factory hours and doing daily homework. c. Loan from the relatives d. Loan on interest e. No source (mal-nourished women and children)
What is the reason for meagre wage of women related to perception about their work?	a. No concept but unemployment, poverty and vulnerability being women b. Culture of obedience in women c. We are unable to raise voices against discrimination d. We are fired with no reason in case we ask for increase in wages

**3.3. Perceptions and Reasons Given by Men Workers and Factory Owners Regarding to Merger Wage of Women Workers**

- (a) Men workers:  
 Women are given soft job.  
 They cannot do work like men.  
 They cannot raise voices against low wages.  
 They are afraid of unionization.
- (b) Factory owners:

According to an employer in HIE, ” this is fact that females were much profitable for employers in the sense of wages but on the other hand women need more care and facilities than men so mostly employers avoid hiring them for the work”.

- We pay women workers equal to market rate.
- We cannot pay more than usually paid by all other factories.
- We give them pick and drop facility that is why they are given minimum wages.

Women cannot do tough jobs related to machines that is why we engage them in packing and other soft jobs, which have minimum wage.

**3.4. Reasons Behind Gender Discrimination**

Following are the answers from the women workers, which they think, are the reasons behind women discrimination

- (a) We don’t know about labor laws
- (b) We are not allowed by the contractors (reference persons) to talk about the wages
- (c) We are being watched by the informers of some factory owners about our links with CSOs
- (d) Factory owners exploit our poverty
- (e) Women are weak in the home and every sphere of life how can we assert our rights in a place that is the only source of our bread and butter.

**4. Findings**

- (a) Almost all women and men workers interviewed were unaware about their labor rights.
- (b) Workers are discouraged to talk about raise in their wages.
- (c) Annual increase in the wages is granted just to oblige the workers and not to fulfill their obligation as per

labor laws.

- (d) The increased wages are still below the minimum wages declared by Government of Pakistan.
- (e) According to study, not a single factory had a Union or Collective Bargaining Agent (CBA). This means that workers have no channel to raise their voices against any discrimination they face. Although we did not ask the question about any from harassment at workplace, but the probability of harassment at the hand of owner or male supervisor is high.
- (f) Most of the workers in the food factories were hired through contractors with no contract letter or factory identity cards, the basic document to prove their identity as labor with respective factory.
- (g) There is no fix wage rate nor employer are considering government's announced minimum wage rate of Rs. 15000 in spite of circular issued by government of KPK.
- (h) Almost all the workers interviewed complained that they are forced to work more than 8 hours and in some cases like Mecca Cola and EBM 12 hours a day. There is no OT on regular wage rate.
- (i) Labor is unaware about OT formula

## 5. Conclusion

It is concluded that abject poverty, lack of awareness about labor rights, illiteracy, lack of merit in equal employment opportunity, no monitoring of industries from the labor department, non-functional labor ministries, lack of institutionalization in labor departments and factories, and a special mindset of men about women and their work are some of the important factors responsible for gender discrimination in labor force.

Study shows that women are not different in their productivity from men. It is also concluded that if there is no discrimination, women earn more as compared to men. It is also found that size of family, number of dependent, economic status of family, technical and vocational education, marital status, are found to be other significant affecting elements in gender wage discrimination in Hattar industrial area.

The official machinery is fully hand in glove with the employers because of bribe and others forms of illegal gratifications. The employers who are the stronger party are much more organized and win another strong party i.e. the government machinery. Thus, these two strong forces by joining hands have made the life of the women workers, already disempowered and vulnerable, a weaker party, extremely miserable.

A large majority of the workers are engaged on contract basis on wages far less than the prescribed minimum wage. The women workers are special targets of exploitation.

This report denies the claim of the employers that workers favor contract job, because they are paid handsomely. This survey has brought forth in clear terms that interest of the women workers are the safeguarded best when they are organized. In the absence of their own union/organization,

neither they are paid properly, nor are the benefits and facilities that the laws allow them are ensured.

## 6. Recommendations

- a. Gender discrimination in HIE units is rampant. Women are given nominal wages. It is strongly recommended that women workers should be given equal wages to men workers as per labor policy.
- b. There is high opportunity for Civil Society Organization (CSO) conduct detailed survey about the implementation of labor policy/laws with special reference to gender discrimination in remaining 144 factory units' in HIE.
- c. CSO with the collaboration of district labor departments, need to work on the issues of gender discrimination among women workers in HIE.
- d. Awareness among men, women and the factory owners and supervisor about sexual harassment at workplace is must.
- e. Institutionalization of labor department and industrial unit is must.
- f. Government must appoint honest and of good reputation labor inspectors to ensure that the workers are not deprived of from their benefits.

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