



Issue Brief # IB-04-2017

May 1, 2017

The Workers Day and Global Compact Principles

Shahid Najam

The Workers Day and Global Compact Principles

International Workers' Day is celebrated to commemorate the 4th of May 1886, when demonstrating workers were massacred by a bomb attack and indiscriminate police firing in the Haymarket in Chicago. The workers were on a general strike to press for their eight-hour workday. The Day called as May Day signifies the beginning of peaceful organized struggle against the severe working condition of the laborers and for decent, safe and humane working conditions. Deaths, injuries and other dangerous hazards were very common during the 1860's putting the workers, their lives and their dependent poor families to great peril.

While there is global awakening and efforts to pursue and espouse rights based pro-poor approach to alleviate the sufferings and afflictions of the poor bulk of which belong to the unskilled labor class, the situation of unskilled and semi skilled workers in Pakistan continues to deteriorate in the wake of huge deficit in the pro-poor and targeted welfare policies of the successive governments. The disabling legislation, repressive practices, lack of enforcement of the labor laws and overtly declining trend of unionization and union activities, particularly collective bargaining, have led to massive disempowerment of the workers. The situation could be well gauged by the fact that reportedly less than five per cent of the workers in the formal sector are members of unions or labor associations which accounts for only 30 per cent of the employment outside agriculture.

The Government of Pakistan, in conjunction with ILO, Provincial Departments of Labour, Employers Federation of Pakistan (EFP), Pakistan Workers Federation (PWF) and involving wider stakeholders has already developed Pakistan's third Decent Work Country Program (DWCP, 2016-2020). However, the major challenge continues to be securing and ensuring fundamental principles and rights at work for 60 million strong work force bulk of which belongs to the informal economy and the agriculture sector in particular. The incidence of poverty among the workers, poor working conditions and lack of harnessing their full productive capacities characterize the labor market.

The 1973 Constitution of Pakistan guarantees freedom of association. Articles 25 and 27 of the Constitution specifically promote equality at work. However, there are specific laws which deny the workers in many sectors to forge collective action. The Essential Services Maintenance Act of 1952 (ESA) (which covers government services and state enterprises, such as energy production, power generation and transmission, etc) is invariably enforced on the pretext of "serious hardship to the community or prejudicial to the national interest" to constrain or even ban legitimate strikes by the workers to agitate and voice their rights and grievances. As a result, their collective bargaining rights are severely curtailed.

As regards working conditions, the Factories Act, 1934 envisages regular inspection of enterprises and factories but labor inspections are hardly ever undertaken to ensure that the employers do not violate the key provisions of law on wages and conditions of work.

It is thus extremely important that a culture of sustainable value system and a principled approach to doing business is inculcated in and adopted by the private sector including the small and medium enterprises to ensure that fundamental responsibilities in the areas of human rights, labor and employment are complied with.

For the corporate sector, the UN Global Compact principles serve as a guide to establishing a culture of integrity, respect for human rights and ensuring decent employment by the companies which, if faithfully applied, can setback the stage for long-term success and create win- win- win situation for the employers, employees and the government. These Ten Principles stem from: the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

These are:

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 provides for the elimination of all forms of forced and compulsory labor;

Principle 5 envisages the effective abolition of child labor; and

Principle 6 calls for the elimination of discrimination in respect of employment and occupation.

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Businesses should undertake the initiatives to promote greater environmental responsibility; and

Principle 9: They should encourage the development and diffusion of environmentally friendly technologies.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

While the government should pay special heed to the ameliorating the plight of the workers by creating sustainable social, economic and institutional structures and focusing on labor friendly policies, the role of the private sector to adopt the global compact principles on a voluntary bases is equally important for ensuring sustainable workers development and distributive justice. More specifically, through public-private sector engagement, decent working conditions especially in the rural areas needs to be established.

Lastly, the policy makers should be mindful of the fact that around 1.7 million youth enter the labor market each year which, a prior, warrants enactment of inclusive employment and income policies for job creation for the youth and vulnerable groups including women. At the same time social protection policies and instruments should be put in place to provide immediate relief and assistance to the deserving workers and to help them emancipate from the enormity and magnitude of poverty and state of abject deprivation.