

Policy Review

**Social Protection and plight of labour force in
Pakistan during COVID-19**

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1. Introduction

World Social Protection Report 2017-19 released by the International Labour Organization indicates “only 29 per cent of the global population has access to any effective social protection programme and about four billion poor and vulnerable people are left unprotected”. In Pakistan, about 80 per cent of the labour force is not registered with any social protection institution of the government, which means the state has no data of these workers (Ahmed 2020).

According to Asian Development Bank (ADB), “Social protection is defined as the set of policies and programmes designed to reduce poverty and vulnerability by promoting efficient labor markets, diminishing people’s exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption/loss of income.”

In the light of the above definition, when we see the labour situation arising out of COVID-19 pandemic, we find Pakistan not performing up to the mark. However, during the pandemic, the government responded with some relief for the poor in terms of social protection. By using data of Ehsas program and Benazir Income Support Program BISP, the government reached the poor and vulnerable population and distributed cash among them. In addition, the government has opened the construction sector and announced incentives for the industry.

However, the problem lies with those 80% unregistered labour workers, who could not receive social protection during COVID-19. They might not be able to get some monetary ease from construction sector as well. Similarly, those working in houses and shops have also lost their jobs.

This study aims to investigate the current situation of labour workers, who have not yet received any social protection amid COVID-19 pandemic and how they are dealing with the situation.

2. Literature Review

In fact, there is no legal definition of social protection in Pakistan that is fully aligned with ADB’s definition. That’s why, Pakistan does not follow the definition of social protection of ADB (Ahmed et al. 2006).

If the need for social protection is defined in the narrow “safety net” sense, as mechanisms for smoothing consumption in response to declining or fluctuating incomes, then the focus of interventions will logically be on targeted income or consumption transfers to affected individuals (Devereux and Sabates 2004). In this case, the 80% unregistered labour are not being part of those affected individuals. This may lead to social incoherence.

Sayed (2004) argues that policies relating to improvement in competitiveness will usually reduce the possibility of social protection for authorized sector workers, who in some cases are a marginalized group of the labour force in developing countries. In a pandemic like COVID-19 with few of sectors in working shape, competitiveness emerged automatically. This leads to widening the gap due to unregistered workforce present in the country.

Social protection allows poor and vulnerable groups to shift from low-risk, low-return activities to higher risk, higher return ones, confident in the knowledge that if the risks materialized, they will not face an irreversible decline in their living standards (Kabir et al. 2010).

3. Methodology

A short questionnaire (Annexure) was developed to conduct Key Informative Interviews (KIIs) of daily wage workers and other labour force from five districts of central Punjab as well as Islamabad, the federal capital. Snowball sampling was used to identify the plight of unregistered labour. Total number of interviews conducted was 70; the breakup of the sample is as follow:

| Districts | Islamabad | Lahore | Gujranwala | Gujrat | Sialkot | Narowal |
|---------------------|-----------|--------|------------|--------|---------|---------|
| No. of interviewees | 12 | 20 | 15 | 10 | 8 | 5 |

Limitation of the study: Owing to lockdown to control COVID-19 pandemic, it was difficult to expand the study to other areas. Similarly, it was also difficult to expand the scope of the study to other sectors to find more unregistered labor. However, according to the size of labour market in a district, it was made possible to adjust the ratio of sample accordingly. Among the six sample districts, Lahore has the biggest labour market, so maximum number of interviews was conducted there. Less number of interviews was conducted in Narowal being the smallest labour market among the selected districts.

4. Discussion and Findings

Majority respondents said they didn't receive any social protection in last two years. In terms of health and direct finances, not a single respondent received any social protection. However, their children are getting free education. They appreciated the government steps regarding electricity bills, but they criticized the cash distribution mechanism.

In response to monetary issues, some of them said that if the situation prolongs for a month or two, they might go on streets for begging. One of the respondents said that he had thought about suicide but some of his relative helped him save. Majority said that people in their vicinity are very helpful and they are receiving some help in the form of cash and kind to keep their kitchen running.

With regard to savings or any help they are receiving from somewhere, a mix response was recorded. Many of them were receiving food from some charity organization; few were being helped by their employers, others were relying on loans from relatives, neighbours, etc.

To the question as to why they did never get themselves registered as part of labor force, two kinds of responses were recorded. First response was that they didn't realize the importance of it earlier; the second was "it doesn't matter as if governments in the past and present are sincere to help them, but it's all about priority on the basis of your personal relations." Lastly, a majority said the way the government is distributing money among registered labour they need parallel arrangements to entertain the unregistered workers. They further said instead of using

Tiger force, the government should use local councilors and Nazims to identify the needy ones as they are much aware about their voters and may be more useful for this task. One more suggestion was to separate social protection budget for the middle class. They believe that most of the beneficiaries of social protection assistance are from middle class especially the ones who are low-grade government employees.

5. Policy Recommendations

Social protection is associated with social security whereas social security is often understood as a particular public programme of assistance, insurance and benefits that people can draw upon to keep a minimum level of income. Social assistance programmes should include targeted resource transfers to the chronically poor, the economically vulnerable and the socially marginalized people. The definite tools, mechanisms and actors should be involved in social protection provisioning.

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Annexure

| No. | Questionnaire |
|------------|--|
| 1 | Have you received any direct monetary National or Provincial Social Protection in last 2 years? |
| 2 | What sort of difficulties now you are facing during COVID-19 pandemic? |
| 3 | Do you have any savings, loans from employer or other sort of relief available to support your family? |
| 4 | Why you never registered yourself as part of labor force? |
| 5 | What do you suggest to government as how to help you now in this situation? |