

**Punjab Resource Improvement and Digital
Effectiveness (PRIDE) Program**

FINAL DRAFT

Labor Management Procedures (LMP)

**PROGRAM SUPPORT UNIT (PSU) PLANNING AND DEVELOPMENT
DEPARTMENT GOVERNMENT OF THE PUNJAB**

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Executive Summary

This report comprises of Labor Management Procedures (LMP) for various interventions and activities under PRIDE. These LMP are derived on the basis of the World Bank's Environment and Social Standard 2 (ESS 2) which is part of the World Bank's Environmental and Social Commitment Plan (ESCP). The LMP reflect the requirements of international standards, national and provincial laws. The purpose is to regulate, manage, support and benefit various categories of workers engaged by the IPs and contractors in the interventions and activities linked with PRIDE.

The report reviews organizational structure and characteristics of labor use by the IPs under the Program. It has indicated expected exploitation of workers by the third party contractors, non-implementation of working conditions by vendors, Occupational Safety and Health (OSH) specifically during E-waste management, incidence of child labor and bonded labor, discrimination and exclusion of vulnerable and marginalized groups of workers as key potential labor risks. The report has also reviewed major applicable national and provincial labor laws.

The report determines policies, procedures and legal requirements under LMP and highlights roles and responsibilities of the IPs and contractors in order to ensure implementation. Main provisions of the LMP are policies and procedures on OSH, E-waste management, contractors' management, fair treatment, non-discrimination, non-intervention in the matters relating to worker's right of freedom of association and prohibition of forced / bonded and child labor. The LMP sets standards of terms of employment, working conditions, working hours, leaves and holidays, specific treatment for women along with entitlement of maternity benefits, medical check-up and treatment, protection during COVID, social protection, observing minimum wage and ensuring timely payment of wages and workers participation with the management. Grievance Redress Mechanism is an important component of LMP under PRIDE. The provisions of LMP will be applied variably to different categories of workers which are direct workers, contracted workers, primary supply workers and community workers. A matrix has also been developed in Table 4 to highlight the applicability of the provisions of LMP on various categories of workers.

Implementation of labor laws, policies and procedures by the third party contractors has usually been weak. In this regard, the LMP require from the IPs to focus on contractors' management through ensuring due diligence before their engagement and system monitoring of OSH, working hours, payment of wages, protection of rights of vulnerable groups of workers and other applicable provisions. The contractors and firms have to maintain record regarding implementation of LMP which will be available for random inspection by the IPs on regular basis.

In the end, the report also highlights that implementation of LMP is a decent practice which promotes social justice thus should be sustained and continued even after the completion of the program.

This LMP is a living document and requires that the procedures and policies developed there under should be reviewed and updated on need basis during the preparation and implementation of the projects, interventions and activities by the IPs under overall coordination and supervision of PSU.

Acronyms

| | |
|---------|--|
| BOR: | Board of Revenue |
| CBA: | Collective Bargaining Agent |
| DSE: | Display Screen Equipment |
| DVC: | District Vigilance Committee |
| EOBI: | Employees' Old-Age Benefits Institution |
| EPA: | Environmental Protection Authority |
| ESS: | Environment and Social Standards |
| ET&NCD: | Excise, Taxation and Narcotic Control Department |
| FD: | Finance and Development |
| GRC: | Grievance Redress Committee |
| GRM: | Grievance Redress Mechanism |
| ICT: | Information and Communication Technology |
| ILO: | International Labor Organization |
| IP: | Implementation Partners |
| IT: | Information Technology |
| LG&CD: | Local Government and Community Development |
| LMP: | Labor Management Procedures |
| NADRA: | National Database and Registration Authority |
| NGO: | Non-Governmental Organization |
| OHS: | Occupational Health and Safety |
| OSH: | Occupational Health and Safety |
| OSR: | Own Source Revenue |
| P&D: | Planning and Development |
| PESSI: | Punjab Employees' Social Security Institution |

PFMU: Program Financial Management Unit
PITB: Punjab Information Technology Board
PPE: Personal Protective Equipment
PRA: Public Revenue Authority
PPRA: Public Procurement Regulatory Authorities
PRIDE: Punjab Resource Improvement and Digital Effectiveness
PSU: Program Support Unit
RFP: Request For Proposal
SMS: Short Messaging Service
SOPs: Standards Operating Procedures
WHO: World Health Organization

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Punjab Resource Improvement and Digital Effectiveness (PRIDE) Program

Labor Management Procedures (LMP)

1. INTRODUCTION

The Government of Punjab in collaboration with World Bank is implementing the “Punjab Resource Improvement and Digital Effectiveness” (PRIDE) Program. The main objectives of the Program are “to increase Own Source Revenue and improve reliability of resource allocations and access to digital services for people and firms in the province of Punjab”. The Implementing Partners (IPs) under the Program are namely; Finance Department with pivotal point at Public Financial Management Unit (PFMU), Planning and Development Department through Program Support Unit (PSU), Excise, Taxation and Narcotic Control Department (ET&NCD), Punjab Revenue Authority (PRA), Board of Revenue (BOR), Local Government and Community Development Department (LG&CD), Punjab Employees’ Social Security Institution, Environment Protection Authority, Public Procurement Regulatory Authority and Punjab Information Technology Board (PITB).

The Program is being implemented under the World Bank’s Environmental and Social Commitment Plan (ESCP) which includes Environment and Social Management Framework (ESMF), Environment and Social Management Plans (ESMP) and Environment and Social Standard 2 (ESS 2), “Labor and Working Conditions”.

In compliance with the provisions of ESS2, these Labor Management Procedures (LMP) have been developed with the purpose to regulate, manage, support and benefit different categories of workers involved during execution of various interventions and activities under PRIDE by the IPs. As required under ESS2, these LMP reflect the requirements of international standards, national and provincial laws and applicable collective agreements. These Procedures will be reviewed and updated as needed during the preparation and implementation of the projects, interventions and activities by the IPs.

2. OVERVIEW OF LABOR USE UNDER THE PROGRAM

Punjab Resource Improvement and Digital Effectiveness (PRIDE) Program is basically relying on Information and Communication Technology (ICT) and digitalization and will be engaging a variety of workers, the core staff and workers will be working on desk top computers, lap tops and other modern tools of communication including digital and electronic devices.

2.1. *Structure of the Work Organization:*

Various types of workers will be engaged in the projects and interventions linked with “PRIDE” Program. However, a majority of them will be engaged on software by the

Program Support Unit (PSU), Program Financial Management Unit (PFMU) and various interventions and projects under the control and supervision of Implementing Partners (IPs). The IPs include Planning and Development Department (P&D), Finance Department (FD), Board of Revenue (BOR), Punjab Revenue Authority (PRA), Punjab Procurement Regulatory Authority (PPRA), Excise, Taxation and Narcotics Control (ET&NC) Department, Local Government and Community Development (LG&CD) Department, Environmental Protection Authority (EPA), Punjab Information Technology Board (PITB), Punjab Employees' Social Security Institution (PESSI) and similar other organizations under the Program. Most of the IT based interventions in the IPs have been planned to be executed by or under the supervision of PITB.

Under the program, each IP will be managing separate work organization which will comprise of work arrangement of core staff engaged directly by the IP, work setting of contractors and that of the primary suppliers. The volume and hierarchy of work organization will depend upon the number and scope of the interventions. As IPs are relying upon PITB to manage most of their IT based operations, therefore, they will be having comparatively small work organization. PITB on the other hand is expected to have large work organization.

2.2. Nature of work and characteristics of Workers:

At this stage, there is no clarity about the exact number of workers of various categories i.e. direct workers, contracted workers, primary supply workers and community workers to be engaged under the PRIDE by the IPs as some of them are in the planning stage, some for example, ET&NCD and BOR are at implementation stage and some of them are in the process of seeking the services through PITB.

ET&NC Department is currently engaging 351 data entry operators including 25 women workers and around 101 are on contract basis. Except a few, most of them are placed in the district offices of the Department and are working at front desks. Regarding consumers' facilitation services (Motor Vehicle Smart Card, Number Plate, courier outside), the Department has contracted with Government to Government organizations.

BOR has engaged around 200 workers, all are involved in data entry and facilitating E-stamping and Agriculture Income Tax.

In order to digitize and computerize licensing, fee collection, e-filing and other operations under the PRIDE, LG&CD Department has planned to rely on PITB and to engage limited staff for data entry only.

PRA is relying fully on PITB to develop necessary software and to engage staff for provision of services to the tax payers, establishing and administration complaint mechanism and e-filing.

EPA is involved to monitor e-wasting and develop regulatory regime for e-wasting. This activity could be possible with the existing staff and some support from PITB.

PPRA will be engaged in developing e-procurement with the support of PITB. PESSI is also relying on PITB for computerization of its contribution, e-filing and other operations through PITB.

PITB under the PRIDE will be providing IT and software support to all IPs, PSU and PFMU. These services along with other include centralized Hotline & Contact Center Services for IPs, Grievance Redresser Mechanism (GRM), Helplines to facilitate citizens and Monitoring service for enhanced public service delivery. For all these services, PITB is hiring staff through contractors. The staff will work in the premises of PITB. Currently, PITB has so far engaged 57 workers and 50 are through third party. Almost half of them are women.

Program Support Unit (PSU) and Program Financial Management Unit (PFMU) are managing with limited staff which includes experts, consultants and support staff specifically in the PFMU. PSU is located in the rented building wherein all support services like, care, lift operation, parking, janitorial and cleaning operations and staff for those activities have been managed by the contractor/ owner of the building.

E-waste management is a new area and disposal of E-waste will be managed under certain SOPs/ legal provisions/ guidelines to be issued and monitored by Environmental Protection Authority (EPA). A firm has also been hired by the PSU to conduct a study on E-wasting, its impacts and to develop recommendations so that to ensure safe E-wasting. In this regard, safety and health of the workers involved in the process appears to be a big challenge for the IPs.

In case of outsourcing of certain operations by the IPs, the engagement of firms and contractors will also increase number of contracted workers.

Timing of Labor Requirements: The direct workers in the PSU and PFMU and main workers from FD, P&D and other IP s under the PRIDE will remain available throughout the Program life cycle. Number of contracted workers and primary supply workers will vary according to the nature of activities depending upon the start of activities by the Implementing Partners. The interventions of IPs may be requiring, but at later stage, some community workers for awareness and orientation campaign and education of the citizen towards digitization of services.

Contracted workers: They are the workers engaged by or through third party to perform work related to core functions of the project, regardless of location. The focus of the program will be on digitization and automation. Various interventions of the IPs are likely to be outsourced and executed through PITB. The consultancy firms and

contractors may also be involved. Some of the activities of support staff and facilitation in offices are being undertaken through contractors which will increase volume of contracted workers.

The focal offices in the Implementing Partners may likely to arrange contractors for these tasks. The contractors for provision of certain services will be hired through public procurement procedure by the Projects Procurement Committees and applying service providers have to meet the qualifying criteria. The selection of contractors will be made on competitive basis. The contractors will be responsible to ensure observance of LMP in respect of workers engaged by them.

A major chunk of contracted workers will be managed by PITB. They will be engaged on development of software and provision and maintenance of the ICT and digitization of the services for almost all IPs under the program.

Primary supply workers: The persons engaged by the primary suppliers of the IPs linked with the Program to perform duties in connection with primary supplies which may be in the shape of stationery, office items, parts of machinery, face masks, equipment and items of daily use on regular basis throughout the program interventions. These persons engaged by the primary suppliers may be involved in interaction with the project staff and facilitation to the core operational workers. The Contractors will be responsible to observe Labor Management Procedures (LMP) in respect of primary supply workers.

Community workers: NGOs and community organizations involved in orientation of workers, citizens and target population usually engage volunteers who are not paid and work for the project interventions. Community workers will also be involved in disaster management and relief related arrangements who will be working on charitable basis without any remuneration. Number of such workers may vary depending upon the volume of the campaign and disaster management related activities. There is also apprehension of involving child labor among community workers. Community workers have to be covered under the relevant provisions of LMP including working hours and health and safety at workplace.

Women workers: The Program promotes women empowerment through improving women's utilization of newly digitized services and recruitment of at least 15 percent women employees in various interventions by the IPs. Non-discrimination at workplace in employment, occupation and remuneration will be a major challenge for the Program. The other challenges include sexual harassment, women specific arrangements at workplace and provision of benefits to women workers under labor laws.

Migrant workers: There is possibility of engaging migrant workers by the contractors and primary suppliers. The vendors of primary suppliers usually bring such workers

from their area of origin. These workers are also covered under LMP and need specific consideration so that their basic labor rights are protected.

3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

3.1. Program Activities:

Punjab Resource Improvement and Digital Effectiveness (PRIDE) Program has been launched to support the Public Financial Management Reforms Strategy and public finance management and governance pillars (pillars D and E) of RISE Punjab, which are the subsets of Punjab Growth Strategy. The interventions encompass the following areas:

(a) Strengthened Budget Formulation and Fiscal Risk Management

Activities include the support for: (i) organizational reforms in FD and P&DB; (ii) development of a medium-term fiscal framework incorporating fiscal impact of climate change; (iii) development of a regulatory framework to facilitate integration of recurrent and development budgets; (iv) improvements in public investment management; (v) management of fiscal risks, in addition to a framework of minimum standards that reflect the concerns of women, girls and vulnerable groups in disaster preparedness and response; (vi) development of a legal framework for disaster risk financing; (vii) strengthening capacity of LGs for disaster response; and (viii) establishment of the Disaster Risk Fund.

(b) Increased Use of Digital Technology for Delivery of Selected Public Services

Activities include the support for (i) review of existing business processes to identify redundant procedures; (ii) simplifying business processes to remove redundancies; (iii) digitization of public services for citizens and firms; (iv) improving women's utilization of newly digitized services; (v) development of a legal framework for electronic payments, mobile money, digital identification, geospatial systems and cloud-based computing; and (vi) revision of PFC award to introduce a need-based formula for transfers from the Provincial Government to LGs and a performance grants scheme for targeted support to LGs for the vulnerable population of Punjab.

(c) Improved Collection of Own Source Revenue (OSR)

Activities include the support for: (i) coordination of revenue policy and implementation measures; (ii) impact assessment of COVID-19 and climate events of recent past (recurrent) on revenue, to inform the design of related revenue policies and the revenue mobilization strategy and plan of the Provincial Government; (iii) expansion of the service sales tax base and increased taxpayer compliance; (iv) integration of taxpayers' data across three (3) tax authorities (selected taxes) and linkage with third party data; (v) simplification of tax administration processes and adoption of performance

framework; (vi) development of online and mobile functionalities for tax payment; and (vii) building the capacity of ET&NCD to modernize property valuation system to enhance revenue potential from public and private real estate.

The program is unique in the sense that through using ICT¹ and digitalization, it will bring paradigm shift from the traditional and semi-computerized setup towards more efficient and economical system with significant improvement in resource mobilization and management, governance and service delivery.

3.2. Key Labor Risks:

Expected key labor risks in the projects/ interventions and activities under the Program include:

- i. The program will be hiring direct workers i.e. support staff including drivers, receptionists, care takers, technicians and office boys to be engaged directly by the PSU, PFMU and under various interventions by the IPs. The support staff needs to be protected and covered under labor standards.
- ii. The program will be undertaking a series of interventions through IPs and engaging experts and consultants. The experts and consultants are being regulated under the employment and service conditions meant for employees and service providers in the public sector which usually are determined under the contract of engagement. However, these experts and consultants (firms) will also be engaging support staff in connection with execution of their work with the program. The support staff and employees in the lower tier in these firms (for example E-waste management firm) are vulnerable and docile.
- iii. The suppliers and vendors engaged by PFMU, PSU and the IPs for ensuring provision of necessary supplies including stationery, computers, laptops, furniture and fixture, machinery and office material also hire workers who need protection and coverage under the applicable labor laws and social protection schemes.
- iv. Now-a-days, there is practice even in the public sector to outsource daily routine work and staff facilitation services and use service providers for parking of vehicles, cleaning of office premises, serving water and tea, maintenance of wash rooms and other allied activities. The staff engaged by the service providers or contractors to perform all these activities needs to be protected under labor laws and social protection schemes.
- v. Hiring of vehicles for the program activities is common under projects in the public sector. The terms of employment and working conditions and remuneration of the drivers and support staff hired by the vendors responsible for provision of vehicles / “rent a car” services have to be covered under labor laws and social security and old-age benefits laws.
- vi. Most of the staff in the program and that of the consultancy firms will be using desktops and laptops which may involve long sitting, awkward postures and

¹ Information and Communication Technology

- ergonomic issues, therefore, OSH is expected to be a major challenge for the management.
- vii. The software houses are established in multi-storied buildings which use lifts and other machines including heating and cooling system, these buildings must have emergency exits, fire extinguishing arrangements, alternative paths, stairs and employees training for use of modern workplaces. For safety of the staff and workers working in such workplaces, stability of building is of paramount importance.
 - viii. The Program promotes women empowerment through realization of 15 percent quota in employment which is a good aspect, however, development of gender sensitive workplace culture would be a challenge for the Program.
 - ix. The Program has a number of interventions and activities which relate to digitization, e governance and automation in taxation and service delivery which will require orientation and awareness sessions for the customers, tax payers and the public at large. Various community organizations including NGOs and civil society organizations are expected to be involved to initiate awareness and orientation campaigns. These organizations will be engaging community workers and rights of such workers have to be protected under ESS2.
 - x. E-waste management is a new area and its management would be requiring a number of workers to be engaged by the contractors who could be affected from these hazardous activities if not adequately trained and protected.
 - xi. There are also possibilities and risk, specifically by vendors, of exploitation of workers in terms of long working hours, fatigue, poor working conditions and wage evasion.
 - xii. There is also risk of discrimination in remuneration on the basis of sex and preferential treatment on the basis of gender, age, disability, culture, language, ethnicity, or religion; exclusion or preference with respect to recruitment, hiring, termination of employment, working conditions, promotion or terms of employment made on the basis of personal characteristics unrelated to inherent work requirements; in training and development provision.
 - xiii. There is potential threat of Gender Based Violence (GBV) and sexual harassment;
 - xiv. Lack of consultation, social dialogue and workers' non-participation in the management can be another risk.
 - xv. Finally, there is also a possibility of incidence of child labor, forced labor (particularly in case of dismantling of IT equipment by vendors before E-wasting), restriction on workers to exercise their right of association and discrimination in employment and in remuneration specifically in respect of the workers engaged by the vendors.

4. BRIEF OVERVIEW OF LABOR LEGISLATION

4.1. Terms and conditions:

Pakistan has ratified 36 ILO's conventions² including its eight Core Conventions³ covering four areas, namely; child labor, forced labor, discrimination, right of freedom of association and to bargain collectively. The Constitution of Pakistan guarantees basic labor rights; prohibits child labor, forced labor and discrimination on the basis of sex, promotes freedom of association, safe working conditions and social security for all. The Constitutional guarantees and commitments in the relevant ILO conventions are reflected in various labor laws in place in Pakistan. Labor laws have been promulgated in Pakistan and in the province of Punjab to ensure the implementation of the international commitments and Constitutional guarantees on ground.

PRIDE is being implemented under the World Bank's Environmental and Social Commitment Plan (ESCP) including Labor Management Procedures (LMP). LMP are developed in accordance with the World Bank's applicable requirements of Environment and Social Standards (ESS2) and applicable labor laws in Punjab and also some applicable federal labor laws.

A list of applicable labor laws is reflected in the following table:

Table-1:

Applicable Labor Laws

| Sr. No. | Law | Scope |
|---------|---|--|
| 1 | Factories Act, 1934 | Factories Act regulates working conditions, hours of work, overtime, rest, holidays, leaves, health and safety of workers, reporting of accidents and provision of facilities to the workers engaged in Factories. |
| 2 | Shops and Establishments Ordinance, 1969 | Shops and Establishments Ordinance regulates working conditions, hours of work, overtime, rest and holidays and leaves for the workers engaged in shops and establishments. |
| 3 | Industrial and Commercial Employment (Standing Orders) Ordinance, 1968; | This law deals with terms of employment, appointment letter, inquiries, disciplinary proceedings against worker, dismissal, gratuity, group insurance and closure of establishment. |
| 4 | Payment of wages Act, 1936 | This law deals with payment of wages and redress of grievance of workers in case of non-payment, delay in payment and less payment of wages. |
| 5 | Punjab Minimum wages Act, 2019 | This law through tripartite Minimum Wages Boards deals with fixation of minimum rates of wages for various categories of workers in Punjab. |
| 6 | Punjab Restriction on Employment | The law prohibits employment of children below 15 years' age and |

² At present, 30 are enforced.

³ Initially, there were following eight convention of four areas as core conventions which are Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105); ILO's Minimum Age Convention, 1973 (No. 138); Worst Forms of Child Labour Convention, 1999 (No. 182); Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); Right to Organise and Collective Bargaining Convention, 1949 (No. 98); Equal Remuneration Convention, 1951 (No. 100); Discrimination (Employment and Occupation) Convention, 1958 (No. 111). Pakistan has ratified the above 8 core conventions. During the ILC 2022, the ILO has also included OSH as fifth area. Resultantly, Occupational Safety and Health Convention, 1981 (No. 155) and Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) have also been included in core conventions making the number ten.

| | | |
|----|---|---|
| | of Children Act, 2016 | engagement of adolescents (persons below 18 years) on hazardous work. |
| 7 | Punjab Occupational Safety and Health Act, 2019 | The law deals with health and safety provisions at workplace and determines duties of employers and workers for promotion of health and safety culture. |
| 8 | The Bonded Labour System (Abolition) Act, 1992 | The law prohibits forced and bonded labour and abolishes bonded labour system. |
| 9 | Punjab Employees' Social Security Ordinance, 1965 | This law provides health coverage, sick leave and work injury benefits to secured workers and his/her dependents. |
| 10 | Employees' Old-age Benefits Act, 1976 | It is a federal law and deals with Old-Age Pension of employees in the private sector. |
| 11 | Workmen's Compensation Act, 1923 | This law deals with worker's compensation in case of injury and death. |
| 12 | Maternity Benefits Ordinance and relevant provincial laws | Maternity Benefits law regulates conditions of employment, paid leave, pre and post- delivery medical care, nursing and special work arrangements for entitled women. They are allowed 6 weeks paid leaves before and 6 weeks after delivering child. |
| 13 | Punjab Industrial Relations Act, 2010 | This law deals with registration of trade unions and regulation of industrial relations in Punjab. |
| 14 | Industrial Relations Act, 2012 | It is a federal law which relates to formulation of trade unions and regulation of industrial relations for trans-provincial establishments in Pakistan. |

The Punjab Minimum Wages Act, 2019 ensures equal remuneration for equal value of work for both men and women.

The labor laws briefed above are applicable to the contracted workers and primary supply workers. The terms of employment of direct workers will be regulated under the rules and regulations for the Government employees. However, the working conditions of these workers will be covered under this LMP.

4.2. Occupational Health and Safety

Labor laws on Factories and Shops and Establishments have OHS provisions. For instance; Chapter III of the Factories Act, 1934 has relevant provisions on workers' safety and contains precautions for health including cleanliness, disposal of wastes and effluents, hygiene, temperature, dust and fume, noise, drinking water, latrines and urinals, precautions against contagious or infectious diseases, vaccination, precautions in case of fire, fencing of machinery, work on or near machinery in motion, pits, opening in floors, excessive weights, protection of eyes, precautions against dangerous fumes, explosive or inflammable dust, gas, etc. and notice of certain accidents.

The province of Punjab has promulgated the Punjab Occupational Safety and Health Act, 2019 which provides for clear role and responsibilities of employers, self-employed persons, persons in control of workplace, suppliers, manufacturers of machinery and workers regarding health and safety and protection of workers. Its Section 8 entails specific standards including dealing with chemicals, guarding of machinery,

manufacture, packing, labeling, transport, storage and use of dangerous substances and agents, disposal of their wastes and residue, control of the atmosphere and other ambient, prevention of fires and explosions and measures to be taken in case of fire or explosion, design, manufacture, supply, use, maintenance and testing of personal protective equipment and protective clothing, sanitary installations, washing facilities, facilities for changing and storing clothes, use and handling of loading and earth moving machinery, establishment of emergency plans and supervision of the health of employees. The law also requires from the companies to develop health and safety policy, promote consultation through health and safety committee wherein worker's representation will also be ensured through election, precautions against contagious, occupational or infectious disease at workplace, notification and investigation of accidents, dangerous occurrences and occupational illness.

5. RESPONSIBLE STAFF

Responsibilities of PSU and Implementing Partners (IPs): PSU will ensure compliance of the provisions of LMP in various interventions and activities under PRIDE through the IPs.

The Project Director/ Head of the Project/ Intervention/ activities in the IPs linked with PRIDE will be responsible for implementation of LMP. The Project Director/ Head/ In charge through effective coordination and monitoring mechanism will ensure implementation of the provisions of policies and procedures regarding labor in the project/ activities under his/her supervision. He/she will be responsible for implementation of LMP during recruitment, engagement, working conditions, terms of employment, OSH arrangement, protection of workers and GRM in the project/ interventions and the activities. He/ she will be overall responsible for engagement and management of contractors and sub-contractors in the project/ activities. Training and orientation activities on LMP including OSH provisions will be carried out under the supervision and coordination of the P.D./ Head/ In charge.

The PD/ Head of every project / intervention linked with PRIDE will establish and manage a monitoring and review mechanism so that to ensure proper implementation of LMP. Coordination and implementation committees and designating officers for certain tasks including implementation, training, communication, awareness campaign and addressing worker's grievance by the management involving participation of workers and other stakeholders will facilitate implementation.

In addition, the IPs/ projects will take initiatives to organize sessions on raising awareness of the communities on compliance of relevant standards e.g., labor standards, OSH provisions and sexual violence and harassment by ensuring effective and efficient participation of the key stakeholders.

Responsibilities of contractors: Firms/ contractors and sub-contractors will be responsible for implementation of LMP in respect of their employees. Every Firm/ contractor working with various intervention of the IPs under PRIDE will undertake that he/ she will abide by the provisions of PRIDE Labor Management Procedures (LMP) for protection of his/her workers engaged for any service or work in connection with the projects/ interventions and cooperate with the management in implementation of LMP. The contractors will be responsible to undertake the following:

i. Occupational Health and Safety: Firms/ contractors engaging 100 workers must engage a minimum of one safety representative. For smaller contracts the duty of OHS representative may be assigned additionally to any of the staff member. The OHS Representative will ensure the day-to-day compliance of OSH requirements. He will record incidents, follow-up actions, training, awareness sessions, emergency drills and other developments in the field of OSH.

ii. Labor and Working Conditions: Firms / contractors will keep records in accordance with specifications set out in this LMP. The management of every intervention/ project under the overall control of IPs will review records against actuals at a minimum on a monthly basis and can require immediate remedial actions if warranted. A summary of issues and remedial actions will be included in quarterly reports to the World Bank.

iii. Workers' Grievances: Firms/ contractors will be required to present a workers' Grievance Redress Mechanism (GRM) which responds to the requirements in this LMP. Every IP through a designated officer will review the record of GRM on monthly basis.

iv. Social Protection: Firms/ contractors will register themselves or their companies with Punjab Employees' Social Security Institutions (PESSI) and Employees' Old-Age Benefits Institution (EOBI). They will also pay monthly contribution in respect of their employees to these institutions for their health insurance and old-age benefits, respectively.

6. LABOUR MANAGEMENT PROCEDURES (LMP)

6.1. Policies and Procedures

Fair Treatment. Decisions relating to the employment or treatment of workers in the Program will not be made on the basis of personal characteristics unrelated to inherent job requirements. The employment of workers will be based on the principle of equal opportunity and fair treatment.

Pakistan has ratified ILO's "Equal Remuneration Convention, 1951 (No. 100) and Discrimination (Employment and Occupation) Convention, 1958 (No. 111). The Constitution of Pakistan also prohibits discrimination on the basis of sex and guarantees equal rights and opportunities for all citizens. Punjab Minimum Wages Act, 2019 clearly

negates any discrimination in wages on the basis of sex and ensure that men and women get equal remuneration against equal value of work.

There will be no discrimination of any kind under the PRIDE. All workers including women and migrant workers will be covered and worker's rights as protected under the applicable laws will be ensured. In case of less, delayed and non-payment of wages and other financial benefits including payment of over-time, if project Grievance Mechanism does not resolve workers' issues, the workers may approach Authority under the Payment of Wages, the court established under the Payment of Wages Act, 1936. They can also lodge cases regarding individual grievance in the concerned Labor Court established under the Punjab Industrial Relations Act, 2010.

Policies towards contractors: The Program and IPs will incorporate LMP in the tender and contract documents for potential bidders to be aware of these provisions so that they are able to reflect their response in their bids, and would be able to implement the clauses as contractor for the duration of the contract. PSU, PFMU and IPs under PRIDE will enforce compliance by contractors with these clauses. As a core contractual requirement, the contractor is required to ensure all documentation related to the LMP is available for inspection at any time by the IPs, the project management.

The contractual arrangement of staff by the firms and contractors must be clearly defined. There will be no discrimination on the basis of sex, religion, caste, creed, color, political inclination and place of origin in employment. Remuneration to both men and women will be paid on the basis of the "principle of equal remuneration for equal value of work". There will be no child labor, no forced and bonded labor. The workers will be recruited in accordance with the Industrial and Commercial Employment (Standing Orders) Ordinance, 1968 and workers will be treated in the light of the relevant provisions of this law during employment, leave, disciplinary proceedings, gratuity, group insurance, retrenchment, lay-off and termination.

Occupational, Health and Safety: PRIDE will be complying with legislation and other applicable requirements which relate to the occupational health and safety hazards and would be enabling active participation in OH&S risks elimination through risk assessment, promotion of appropriate skills, knowledge and attitudes towards hazards.

Projects / interventions under PRIDE will be involved in use of ICT and digitization. Direct workers and contracted workers engaged by consultancy firms attached with these projects / interventions will be working on Display Screen Equipment (DSE) and workstations. There is possibility of workers experiencing fatigue, eye strain, upper limb problems and backache. These problems can also be faced in case of poorly designed workstations or work environments. Such work environment and workplace need special considerations so that workers' health and safety should not be compromised. Guidelines for the workers using DSE and workstations are placed at **Annex-I**. These

guidelines should be displayed at conspicuous place in the workplace premises. In addition, the Managements in the program and IPs will have following responsibilities:

- i. Analyze workstations to assess and reduce risk;
- ii. Make sure workers take breaks from screen work;
- iii. Provide information and training for workers;
- iv. Provide eye and eyesight tests on request, and special spectacles if needed; and
- v. Review the assessment when the user or DSE changes.

E-waste is another priority intervention under PRIDE. It has environmental repercussions and exposure of the workers to the various highly toxic elements, like, lead, cadmium, barium, mercury and chromium which are released during the dismantling of these used computers. Hundreds of workers, including teenage children, earn their livelihoods by dismantling the electronic scrap and extracting valuable components. The Managements and the contractors responsible in this regard have to:

- i. Eliminate all chemical hazards connected to E-waste
- ii. Control hazards if elimination is not possible;
- iii. Provide PPEs to the workers; and
- iv. Do not engage persons below 18 years of age in the activities relating to collection, dismantling and management of E-waste.

Health and safety provisions of labor laws will cover all the project workers under various interventions by the IPs under PRIDE. All the projects/ Interventions in the Program through a systematic approach will continually improving the OH&S management system and performance through commitment.

All the project/ Interventions under PRIDE will constitute Health and Safety Committees at the Headquarter level which will also include worker's authorized representation and a woman. The Committee will have following functions:

- i. To supervise the system of health and safety in the project and make recommendations for review;
- ii. To discuss any incident at the workplace in which or in consequence of which any person has injured, became ill or died;
- iii. To monitor implementation of health and safety provisions under LMP and review its progress on quarterly basis;
- iv. To work for promotion and development of health and safety culture in the Project.

All the IPs under PRIDE will designate an official as Health and Safety Officer (HSO) who will be responsible to implement the OSH provisions, to establish health and safety

management system in the project, to coordinate training and ensure that LMP and legal provisions regarding health and safety of the workers are enforced on ground. He/ she will ensure that standardized PPEs in accordance with size and need of workers are made available and used by the concerned workers. HSO will be responsible for reporting of accidents and documentation of the record of accidents and investigating accidents. HSO will ensure issuance of General Report on health and safety after every six months.

All accidents will be reported to the projects and concerned legal authorities in the Government within 24 hours of occurrence. A detailed investigation report including remedial measures and compensatory arrangements should be submitted within 72 hours of the occurrence.

Under PRIDE, every project / intervention and activities will ensure awareness and training of all project workers on health and safety, develop informational and educational material and its dissemination to workers, display of notices on health and safety, periodic emergency drills, ensures that contractors and primary suppliers should abide by LMP and remain in regular contact with public functionaries responsible for worker's safety and protection and other stakeholders for development and promotion of health and safety culture.

All IPs while in consultation with key stakeholders and workers will develop a mechanism with a built-in-stabilizer to address issues at the workplace in a systematic manner with sustainable solution involving following steps:

- a. Identification of potential hazards;
- b. Highlighting role and responsibilities of all partners including contractors and primary suppliers;
- c. Provision of standardized preventive and protective measures;
- d. Training and orientation of project workers;
- e. Documentation and reporting of occupational accidents, diseases and incidents;
- f. Emergency prevention and preparedness and response arrangements;
- g. Remedies for adverse impacts such as occupational injuries, deaths, disability and disease.

Further to avoid work related accidents and injuries, the firms and contractor will:

- i. Provide occupational health and safety training to all employees involved in works.
- ii. Provide free of cost PPEs to workers wherever and when required;
- iii. Ensure availability of First Aid Box.
- iv. Provide employees with access to toilets and potable drinking water.

- v. Properly dispose of solid waste at designated permitted sites landfill allocated by the local Authorities;
- vi. Carry out all procedures to prevent leakages, seepages and presence of hazards at work sites specifically during E-wasting.

Prohibition of Forced Labor: Pakistan has ratified ILO's Forced Labor Convention, 1930 (No. 29) and Abolition of Forced Labor Convention, 1957 (No. 105). The Constitution of Pakistan prohibits all types of forced labor and slavery like practices including trafficking in person. Bonded labor System (Abolition) Act, 1992 as amended in 2018 prohibits forced labor, bonded labor and any system of bonded labor. Monitoring of the implementation of these laws is responsibility of the District Vigilance Committees (DVCs) functional under these enactments at the district level.

Trafficking of human being for labor is also prohibited under the Prevention and Trafficking in Persons Act, 2018. The contractors will not be involved in trafficking in persons and will report to the authorities if they find anyone involved in trafficking of his employees.

Forced labor and bonded labor will be prohibited in all projects/ interventions under PRIDE. It is the responsibility of all firms and contractors, specifically primary suppliers, to ensure the provisions of the Bonded Labour System (Abolition) Act. Violators and victims of forced labor and bonded labor will be treated in accordance with the provisions of the Act Ibid.

6.2. Age of Employment

Pakistan has ratified ILO's Convention on Minimum Age for Admission to Employment No. 138 and Worst Forms of Child Labor Convention No. 182. The applicable law is the Punjab Restriction on Employment of Children Act, 2016 which defines child as a person below the age of fifteen years. Under the law, employment of a person with age less than 15 years is prohibited. The law also prohibits engagement of persons between the age of 15 to 18 years in the hazardous list of occupations and processes mentioned in its Schedule⁴. As provided under the Schedule, collection of E-waste, dismantling and disposal of computers, laptops and other ICT equipment under the Punjab Restriction on Employment of Children Act, 2016.

⁴ Schedule attached with the Punjab Restriction on Employment of Children Act, 2016 contains a list of 38 occupations and processes as hazardous where employment of persons below the age of 18 years is prohibited. In the E-wasting context, Sr. No. 11 & 23 of the Schedule are relevant. For instance, at Sr. No. 11, hazardous works include exposure to all toxic, explosive and carcinogenic chemicals e.g., asbestos, benzene, ammonia, chlorine, manganese, cadmium, sulphur dioxide, phosphorus, benzidenedyes, isocyanates, carbon tetrachloride, carbon disulphide, epoxy resins, formaldehyde, metal fumes, heavy metals like nickel, mercury chromium, lead arsenic, beryllium, fiber glass. Similarly, at Sr. No. 23 of the list, all scavenging including hospital waste is included as hazardous.

In case of dispute over age, B-Form of NADRA will be considered as final proof.

Persons below 18 years of age will be prohibited against any type of employment of direct workers and engagement of such persons in the hazardous work including E-waste management by vendors, consultancy services and entities providing support services to the IPs under PRIDE.

6.3. Terms and Conditions

Terms of Employment /Employment Letter: At the time of engagement, all the project workers will be provided with letter of employment clearly mentioning terms of engagement and conditions during the course of engagement. The letter should be addressed to the person who is being employed and should contain his/ her designation, place of duty, remuneration, nature and type of employment, terms specific to the assignment, compensation and benefits attached to the assignment (**Annex-II**). In case of direct workers, the terms of employment of regular employees are regulated under the Governments rules whereas contracted employees are appointed under specific terms and conditions expressed under the Industrial and Commercial Employments (Standing Orders).

Those specific terms and conditions include:

- According to Standing Order 2-A of Industrial and Commercial Employments (Standing Orders) Ordinance, 1968, every workman at the time of his appointment, transfer or promotion shall be provided with an order in writing, showing the terms and conditions of his service.
- Contract workers will be regulated under the laws relating to Industrial and Commercial Employment (Standing Orders), Factories and Shops and Establishments.
- Regularization of workers, disciplinary proceedings, inquiries, termination, notice pay, gratuity and group insurance will be covered under Industrial and Commercial Employment (Standing Order) Ordinance.

Non-discrimination and equal opportunities: Pakistan has ratified ILO's "Equal Remuneration Convention, 1951 (No. 100) and Discrimination (Employment and Occupation) Convention, 1958 (No. 111). The Constitution of Pakistan also prohibits discrimination on the basis of sex and guarantees equal rights and opportunities for all

citizens. The provision of non-discrimination has been incorporated in the newly promulgated Punjab Minimum Wages Act, 2019⁵.

Discrimination in treatment during recruitment, promotion, remuneration, workload, work arrangement, benefits, preferences in training etc. on the basis of sex and any other reason including origin, religion, caste, creed, ethnicity, political inclination and color is prohibited.

There will be no discrimination of any kind under various interventions of PRIDE. All workers including women and migrant workers will be covered and worker's rights as protected under the above referred laws will be ensured.

In case of less, delayed and non-payment of wages and other financial benefits including payment of over-time, if internal Grievance Mechanism does not resolve workers issue, the workers may approach the legal forum i.e. the Authority under the Payment of Wages Act. They can also lodge case of individual grievance in the concerned Labor Court established under Industrial Relations Act, 2010.

Working hours: Factories Act and Shops and Establishments laws regulate working hours for the workers of industrial and commercial establishments. Working hours under these laws are 8 hours a day and 48 hours in a week.

Table-2
Working Hours Type.

| Working Hours Type | Legal Description | Working hours under the interventions linked with PRIDE |
|---------------------------|---|--|
| Daily | Factories Act and Shops and Establishments Ordinance allow 8 hour work daily | 8 |
| Weekly | Factories Act and Shops and Establishments Ordinance allow 48 working hours in a week | 48 |

For all workers in various projects/ interventions under PRIDE, the working hours will be eight hours a day and 48 hours in a week.

Rest and Holidays: Holidays, rest, sick leaves, annual paid leaves, festival holidays for the workers in industrial and commercial establishments are regulated under Factories Act and Shops and Establishment Ordinance.

Number of holidays and leaves admissible to contracted workers in various interventions/ projects under PRIDE are reflected in last column of the below Table.

⁵ Section 21 of Punjab Minimum Wages Act, 2019

Table-3
Rest and Holidays

| Holidays and Leaves for contracted workers in the projects/ Interventions undertaken by IPs under PRIDE | | |
|--|---|---|
| Leave Type | Position under labor laws | No. of leaves / holidays under LMP |
| Weekly Holiday | There is one weekly holiday under shops and Establishments Ord. and Factories Act. In case a worker has to do work on weekly holiday, he will be given compensatory holiday. | One weekly holiday and a compensatory holiday if workers have to work on weekly holiday due to certain emergency. |
| Festival Holidays | 10 days in a calendar year with full wages festival holidays are permissible under Shops and Est. Ordinance. Under the Factories Act, festival holidays are admissible as per the notification from Government. | 10 days with full wages in a calendar year corresponding Government's Notifications. |
| Casual leave | 10 days with full pay in a calendar year under Shops and Est. Ordinance and Factories Act. | 10 days with full wages in a calendar year |
| Sick leave | 8 days with full wages in a calendar year and can be accumulated to 16 days under Shops and Establishments Ordinance and 16 days with half average wage in a calendar year under Factories Act. | 16 days with average half pay in a calendar year |
| Annual leave | 14 days in the Shops and Establishments Ord. and annual leaves can be accumulated up to 30 and 14 days under Factories Act. Payment to the worker in lieu of leave not availed. | 14 days with full wages and can be accumulated up to 30 days. Leaves can be cashed if not availed. |
| Maternity leave | The Punjab Maternity Benefit Ordinance, 1958 allows 90 days (12 weeks) maternity leave with full wages. | Maternity leave of 112 days with full pay that is 56 days prenatal and 56 days postnatal. |

Special provision for women: Projects and interventions under the Program will provide free and safe pick and drop facility to women workers during night work.

The government employees attached with the projects in the Program and employees recruited for the project activities will be regulated under Government leave rules and medical entitlement. Women workers other than direct employees, along with medical coverage, will be provided with maternity leave of 112 days as provided under ILO's Maternity Protection Convention, 2000 (NO.183).

Day Care: There is provision of day care / special room for children of less than 6 years in the industrial and commercial establishments where women are employed under the Factories Act.

Day care facility will be provided to the women workers in the projects / interventions under PRIDE for their children of less than 6 years through establishing special room with provision of necessary facilities and qualified attendant.

Canteen: There is requirement of establishing canteen for provision of food to the workers on concessional rates/ prices during working hours in the premises of the factories engaging 250 workers under the Factories Act⁶. If women are employed in the workplace a separate room for them will be arranged in order to provide them meal and food.

All projects and interventions, specifically in the implementing units under PRIDE where at least 100 workers are engaged will provide facility of canteen with the facility of concessional food to all the workers without any discrimination. Women will also be facilitated through establishing separate room in these canteens.

Drinking water and Sanitation: The Labor laws require from the employer to make arrangements for provision of clean drinking water, establishing urinals, washing facilities and toilets at the workplace for use of the workers in reasonable number depending upon the number of workers engaged in a prescribed manner⁷.

Separate washrooms and toilets for men and women in adequate number will be established and maintained under the Program, linked projects, consultancy firms, vendors and contractors attached with the program.

Medical Check-up: There will be pre-employment medical check-up and medical check-up of all workers in various projects/ interventions and activities under the Program by a certified medical practitioner every year.

First Aid: Under the Program, the employers and contractors are required to establish and maintain First Aid facility⁸ for medical treatment in case of emergency. The facility

⁶ This facility is required to be established under section 24 of the Factories Act and Canteen Rules notified in response to that which provide standards of food, sanitation, workers participation in the Canteen's management Committee and provision of food to the workers during working hours on concessional rates.

⁷ Detail about number of workers and specification of standards is provided in the subsidiary rules of both laws.

⁸ Rule 96 of Punjab Factories Rules, 1978

must contain necessary medicines and equipment to deal with expected health hazards. At least one person trained in first aid and basic health facilities should be made available during working hours in the premises.

Over-time: According to Factories Act and Shops and Establishments laws no over-time will be taken from any worker without his/ her consent in advance and in every case it should not be more than two hours a day. When any employee is required to work over-time in any establishment, the wages payable to such employee in respect of such over-time work will be calculated at double the ordinary rate of wages payable to him/ her⁹.

In the projects and interventions under the PRIDE Program over-time will be taken in case of emergency only in consultation with the employees' representative and with the consent of the concerned worker also. The payment of over-time will be at double the rate of the average wage. No over-time will be taken without prior consent of the worker. Number of hours of over-time will be not more than two hours in a day and no discrimination will be made amongst the employees while offering over-time.

Maximum Weight Limit: Under Factories Rules, maximum weight an adult male worker can carry is 200 Lbs. This limit is 50 Lbs. for female workers.

In various projects/ interventions and activities under PRIDE Program, no male worker will carry weight above 100 Lbs. and no female worker will carry more than 30 Lbs.¹⁰

Sexual Harassment of Women: Cases of sexual harassment against women in various interventions under the PRIDE will be taken up under the Protection against Harassment of Women at the Workplace Act, 2010. An Inquiry Committee comprising of three members including one member from the senior management, one senior representative of the employees and where there is no CBA¹¹ one or more members can be co-opted from outside if the project is unable to designate three members from within as described above. At least one of them shall be a woman. A Chairperson shall be designated from amongst them.

Persons with disabilities: The projects / interventions under PRIDE will be observing 3 percent quota fixed for persons with disabilities as provided under section 31 of the Punjab Empowerment of Persons with Disabilities Act 2022. According to section 32 of the Act, an establishment that does not employ persons with disabilities as required under section 31 shall, on a monthly basis, pay into the Fund¹², a sum of money not less than the Minimum Wages notified by the Government under the Punjab Minimum Wages Act, 2019, or a sum of money not less than what it would have paid as salary or wages to a 'Person with Disabilities' had he been employed, whichever is greater.

⁹ See section 9 of the Shops and Establishment Ordinance, 1969.

¹⁰ Rule 78 of the Punjab Factories Rules, 1978.

¹¹ Collective Bargaining Agent

¹² 'Persons with Disabilities Rehabilitation Fund' established under section 43 of the Punjab Empowerment of Persons with Disabilities Act 2022.

There will not be any discrimination with persons with disabilities at the workplace during employment, training, work allotment, promotion and remuneration. The projects will also be required to physically develop and adopt workplaces to make them friendly for disabled persons.

Minorities' quota in employment: The projects/ interventions and activities under PRIDE will observe quota fixed by the Government for minorities in fresh recruitment.

Women's quota in employment: The projects/ interventions under PRIDE will observe 15 % quota for women in recruitment fixed by the Government through notification.

Observance of prescribed Minimum Wage: Punjab Minimum Wages Act, 2019 provides for fixation of rates of minimum wages for workers of different categories. These rates are fixed and notified by the Government on the basis of the recommendations of the Punjab Minimum Wages Board.

All the contract workers in the projects/ interventions and activities under PRIDE will be paid wages in accordance with the prescribed minimum rates of wages notified by the Government for different categories of workers.

Daily wagers are usually paid on the basis of market rates. For daily wagers under the projects and interventions linked with PRIDE, a uniform formula will be observed in order to ensure that daily wagers are paid at par with other contracted workers working with IPs and they get 11 percent of their wages in respect of contribution for social protection (Social Security and old-age benefits). The wage of a daily wage worker will be calculated on the basis of the following formula:

Monthly Minimum Wage for the Specific Category of Daily Wager + 11 % of that Wage

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All projects / interventions linked with PRIDE will also ensure that salary of the direct workers specifically the staff at the lowest tier should not be less than the legally prescribed minimum wages of unskilled workers in the province.

Engagement of daily wage workers will not be encouraged as a policy matter and contractors will have to engage workers for the whole or full contract assigned in the projects/ interventions linked to PRIDE.

Payment of Wages: In all the projects/ interventions linked with PRIDE, the payment of wages will be made either through cheque or through online transfer into worker's account. Deductions from the wages will be made only in accordance with the provisions of Payment of Wages Act, 1936, and may include (a) fines; (b) deductions for

absence from duty; (c) deductions for damages to or loss of goods expressly entrusted to the employed person for custody, or for loss of money for which he/ she is required to account, where such damage or loss is directly attributable to his/ her neglect or default¹³; (d) deductions for house-accommodation supplied by the employer. Such deductions will not be more than 25 percent of the monthly wages.

Daily wage workers will be paid daily in cash with proper receipt and record will be maintained for such payments.

Equal remuneration will be paid to men and women against equal value of work.

6.4. Worker's Protection:

Social Protection: Contractors working with the projects/ interventions linked with PRIDE will be responsible to register their establishments and workers with the Punjab Employees' Social Security Institution (PESSI) and Employees' Old-Age Benefits Institution (EOBI). They will also deposit necessary contribution of 6 percent of their employees' wages to the Punjab Employees' Social Security Institution for health coverage of the secured employees and their dependents. The contractors/ employers will also contribute their share of 5 percent of employees' wages to Employees' Old-Age Benefits Institution meant for old-age pension of the insured worker. All contractors have to ensure also that the registered employees/ workers with these institutions are provided with proof/ cards showing that they are secured and insured under PESSI and EOBI. Workers, employees secured under PESSI are entitled to many benefits including sickness benefit, injury benefit, maternity benefit, Iddat benefit, death grant, disability gratuity, partial pension, total disablement pension and survivors' pension. Benefits for the employees/ workers insured under EOBI are old-age pension, survivors' pension, invalidity pension and old-age grant.

Employers will also be responsible for workers' group insurance as provided under Industrial and Commercial Employments (Standing Orders) Ordinance.

Worker's Compensation: Contracted workers will be entitled to compensation in case of injury, occupational diseases or death as provided under Workmen's Compensation Act, 1923. Aggrieved workers or their heir can approach to the respective courts of Worker's Compensation Commissioners established under the Ibid enactment.

¹³ Until proved through an inquiry conducted under the law wherein accused worker has to be given an opportunity of reply and personal hearing also

6.5. COVID-19 and Protection of workers

According to WHO and ILO, workplaces outside of healthcare facilities can be settings for transmission of COVID-19 and all workers should be protected from acquiring COVID-19 because of their work. The prevention of COVID-19 in work settings should be combined with measures for protecting physical and mental health, safety and wellbeing of workers from other occupational hazards. They recommend preventative measures for COVID-19, such as remote work directives, restricting worksite entrance to key workers, physical distancing, routine screening, isolation of infected persons, contact tracing and quarantining of contacts, regular worksite disinfection (especially of high touch surfaces), hand hygiene, environmental monitoring and appropriate use of personal protective equipment¹⁴.

In the light of the recommendations of WHO and ILO following SOPs will be adopted at the workplace under various interventions linked with PRIDE.

- i. Ensuring that all workers have been administered vaccination of COVID-19;
- ii. Conduct workplace assessment in respect of COVID-19, regularly;
- iii. Implement safety and health measures to prevent transmission at the workplace including physical distancing, hand hygiene, ventilation, use of disinfectants and Personal Protective Equipment (PPE);
- iv. Routine screening of at-risk workers and isolation and other measures including sick leave and medical treatment of the affected.

6.6. Workers' Organization

Pakistan has ratified ILO's Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and Right to Organise and Collective Bargaining Convention, 1949 (No. 98). The country has a framework of industrial relations laws, regulating labor relations, dealing with formation of trade unions, determination of collective bargaining and workers participation in the management. Punjab Industrial Relations Act, 2010 and Industrial Relations Act, 2012 (federal law) deal with registration of trade unions and regulation of industrial relations.

Workers working in the projects/ interventions linked with the program may associate themselves in the form of organization or to join organization of their choosing without any restriction or condition by the management, any consultancy firm or any contractor. Employees and workers can form trans-provincial unions or association under Industrial Relations Act, 2012 or establish their organizations under the Punjab Industrial Relations Act, 2010. Under these laws, the employer/ management shall not interfere or

¹⁴ Preventing and Mitigating COVID-19 at work, Policy Brief by WHO and ILO, 2021

influence the process of formation of union or restrict workers to join any union or federation. Any such interference by the employer or his agent shall be taken as unfair labor practice and punishable under the relevant provisions of these enactments by the competent courts.

The worker's organizations formed under the relevant industrial relations laws will encourage participation of women and ensure that the executive bodies of their organizations will represent women in accordance with total strength of women in the project/ intervention.

Workers' Participation: Employers, managements of various interventions under IPs, the program, consultancy firms and contractors in connection with PRIDE will also ensure worker's participation in consultation and decision making particularly through representation of workers in committees at various levels including the following:

- i. Canteen Committee;
- ii. Health and Safety Committee;
- iii. Worker's Management Committee;
- iv. Inquiry Committee regarding cases of Sexual Harassment.

The executives and worker's representatives of these organizations will be given needed information about the project/ interventions and activities for awareness of their rank and file and for negotiation purposes.

The worker's participation to these committees will be nominated by Collective Bargaining Agent (CBA). In case there is no CBA and union, the worker's representatives to these committees will be made through election.

Worker's right of information: The following documents have to be displayed at conspicuous places by the consultancy firms and contractors for information of the workers:

- i. Notice of daily hour of work;
- ii. Notice of weekly holiday;
- iii. Notice highlighting types of leaves admissible to workers;
- iv. Information about committees;
- v. Notice of wage day;
- vi. Information material on OSH;
- vii. GRM.

7. GRIEVANCE REDRESS MECHANISM

A Grievance Redress Mechanism (GRM) will be in place in all the Projects / interventions linked with PRIDE for the "project workers" to ensure that grievances of the workers are timely redressed. Worker's grievances may be of many types which may include conflict with supervisors, workplace issues, OSH, issues relating to wages,

delay in payment of wage, unauthorized deduction from wages, confrontation with the co-workers, non-compliance of LMP and social difference between workers, etc. The workers have to be informed about the existence of Grievance Redress Mechanism (GRM) at the time of their entry into employment and also during the course of their employment.

A senior official will be notified as Focal Person in every project / intervention who will be responsible to receive worker's complaints and redress their grievance in a specific timeline in the light of defined SOPs under the overall supervision of Grievance Redress Committee (GRC).

A Grievance Redress Committee will be constituted and notified by the IPs with the following mandate:

- i. Supervision of GRM;
- ii. Facilitate the Focal Persons in discussions and negotiations with necessary parties to the dispute;
- iii. Develop SOPs, timelines and coordination mechanism; and
- iv. Quarterly oversee and review progress on the working of GRM.

The Convener of the Committee will be GRM Focal Person.

The GRC will be represented by workers, contractors and civil society. One of the members of the Committee should be a woman.

The Project will ensure that lodging of complaint is simple and workers can have easy access to the GRM. Toll free numbers, complaint boxes and SMS service may be used for registration of complaints and quick response to the complainant in acknowledging the receipt of complaint, providing basic information and proper feedback on the progress. Record of complaints and action taken will be maintained, reviewed and evaluated after every three months.

GRM under LMP in the IPs should also be easily accessible to the contracted, primary supply workers and community workers.

GRM is not a substitute of the legal/ judicial and administrative forums available to the workers to redress individual as well as collective grievances. It will also not impede worker's access to these forums.

8. CONTRACTORS' MANAGEMENT

The selection process of contractors has been mentioned in section 5 of this document. Due diligence required during hiring of the contractors is attached as **Annex-III**.

LMP in the projects/ interventions linked with PRIDE requires that contractors to monitor, keep record and report on terms and conditions related to labor management.

The contractors must provide workers with evidence of all recruitments, payments made, including social security benefits, pension contributions or other entitlements regardless of the worker being engaged on a fixed term contract, full-time, part-time or temporarily. They are expected to be fair in execution of their contract ensuring that all provisions of LMP are implemented. There should not be any unfair labor practice on their part and on the part of their sub-contractors. They are required to maintain and produce the record whenever required by the IPs and the managements.

The following record must be maintained by the contractor:

a. **Labour conditions:** records of workers engaged under the project/ interventions, including contracts, registry of induction of workers, hours worked, leave record, maternity benefits, remuneration and deductions (including overtime), negotiation with workers' organization and compliance of collective bargaining agreements, (if any);

b. **Safety:** recordable incidents and corresponding inquiries and follow-ups, first aid cases, high potential near misses, and remedial and preventive activities required and rehabilitation measures;

c. **Workers:** number of workers, indication of origin (expatriate, local, non-local nationals), gender, age with evidence that no child labor and forced labor are involved, and skill level (unskilled, skilled, supervisory, professional, management).

d. **Training/** induction: dates, number of trainees, and topics.

e. **Worker grievances:** details including occurrence date, grievance, and date submitted, actions taken with dates, resolution (if any) and date, and follow-up yet to be taken— grievances listed should include those received since the preceding report and those that were unresolved at the time of that report.

f. **Reporting:** contractors will be responsible to submit reports on the implementation of LMP in respect of their companies and their workers engaged in the projects/ interventions linked with PRIDE on quarterly basis to the management.

Evaluation: Every IP, PSU and PFMU will put in place a system of monitoring and evaluation to monitor and evaluate the working of contractors on monthly basis and to issue reports of such evaluations.

The principal contractor will be responsible to ensure implementation of LMP by sub-contractors for workers engaged in connection with the interventions related to PRIDE. He/ she has also to ensure the compliance and maintenance of record for random evaluation of the IP in respect of his sub-contractors as required under a, b, c, d, e & f above.

The responsibility of ensuring implementation of LMP through contractors and sub-contractors is entrusted with the IPs i.e. the management of the project / intervention in the respective IP under the PRIDE wherein the IPs are supposed to put in place a robust mechanism of coordination, monitoring, oversight and evaluation. Most of the IPs are relying on PITB to develop software, maintain it and provide IT based services. PITB, therefore, have to be very careful in monitoring the contractors in implementation of LMP, specifically, terms and conditions of employment and OSH provisions of the contracted workers.

9. COMMUNITY WORKERS

There is strong possibility of engaging community workers who will be required during awareness, orientation and social mobilization campaigns.

Community workers will be on voluntary basis without any remuneration. However, it will be ensured by the IPs/ project management that no child labor, forced labor or bonded labor is engaged in the work performed by community. The provisions of working conditions, working hours, rest, holidays and provisions regarding non-discrimination on the basis of sex race, color, religion, ethnicity, political inclination and place of origin will apply on community workers.

All health and safety provisions devised under section 6 & 8 are also applicable to community workers.

The grievance of community workers will be redressed through the IPs GRM Committees. The concerned GR Committee will co-opt a representative of community workers as member in case any issue pertaining to community workers is under discussion in the meeting.

10. PRIMARY SUPPLY WORKERS

Primary suppliers are usually formal businesses who are required to procure and produce materials subject to high standards. As business they are responsible entities and compliant to all laws of the land including labor laws. All provisions regarding terms and conditions of LMP under section 6 & 8 will apply to primary supply workers. Primary supply workers will also exercise right of freedom of association and to bargain collectively. The primary suppliers will ensure that there will be no child labor, forced labor and bonded labor in their establishment. The workers of primary suppliers should also be protected under Punjab Employees' Social Security Institution and Employees Old-Age Institution. The primary supply workers are also covered under the compensation law.

The primary suppliers have to ensure occupational health and safety of their workers. They have to report the IPs about accidents and fatalities or serious injury, and inform the regulatory authorities and the project management in accordance with legal obligations and provisions of LMP. They will also ensure that their workers have access to internally established Grievance Redress Mechanism. Information on non-discrimination, violence against women and sexual harassment will also be provided. In addition, these workers will be provided with relevant information on the provisions of LMP. All primary suppliers will update the IPs and the project management on the status of application of LMP in respect of their workers on monthly basis. Signing of contract with primary suppliers incorporating above mentioned provisions or exclusively mentioning LMP provisions in the contract /delivery order will facilitate the compliance.

The IPs and project managements under PRIDE will also ensure that all primary suppliers abide by LMP through monitoring and evaluation mechanism.

**Table-4
Matrix Showing Applicability of LMP**

| Matrix regarding applicability of provisions of LMP on different categories of workers and responsibilities of the Management | | | |
|--|-----------------------|--|--------------------------|
| Provision | Direct workers | Contracted workers and workers of primary suppliers | Community workers |
| Working contract | X | X | / |
| Terms of employment | X | X | / |
| Working hours, rest, holidays and leaves | X | X | X |
| Right to organize and to bargain collectively | X | X | / |
| Non-discrimination | X | X | X |
| No Child labor | X | X | X |
| No Forced / bonded labor | X | X | X |
| Social protection | X | X | / |
| Compensation | X | X | / |
| OSH Standards | X | X | X |
| Minimum wage | X | X | / |

| | | | |
|--------------------------------------|----------|----------|----------|
| Payment of wages | X | X | / |
| Persons with disabilities | X | X | X |
| Employment quotas | X | X | / |
| Protection of migrant workers | X | X | X |
| Pro-women provisions | X | X | X |

11. RECOMMENDATIONS:

ESS2 recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth¹⁵. Based on this approach, observance of LMP by IPs will lead to sound labor management practices through ensuring provision of basic labor rights, health and safety at workplace, non-discrimination, social protection and workers' participation. The interventions and activities under PRIDE are going to be continued even after the Program. By that time, the IPs will be trained and accustomed enough to comply with procedures and mechanism under the LMP. It is, therefore, recommended that being a good practice all systems and mechanisms developed under the LMP should also be sustained along with the Program interventions and activities. Furthermore, the Planning and Development Board may also consider introduction of LMP in all Annual Development Schemes as along with meeting physical and economic targets, it will ensure social justice also.

¹⁵ World Bank, this document is available at <http://creativecommons.org/licenses>

12. Annexes

Annex- I: GUIDELINES FOR WORKERS ENGAGED ON WORKSTATIONS¹⁶ USING DSE¹⁷

The workers engaged on workstations and using DSE should:

- Maintain good posture when working at the keyboard. Utilize a chair with back support.
- Avoid twisting or bending your trunk or neck. Avoid excessive reaching. Your keyboard, pointing device, files and telephone should be within easy reach.
- Keep your shoulders relaxed with your elbows close to your sides.
- Avoid resting your elbows on the hard surface or edge of your table. Pads can be used to protect your elbows if necessary.
- Your wrists should be in a neutral or straight position when keying or using a pointing device or calculator.
- Take regular breaks, these breaks can be brief and should include stretches for optimal results.
- Reduce keystrokes with the use of macros or software programs allowing "sticky keys." Use scroll locks and keystroke combinations to reduce pointing-device movements.
- Never hold a pen or pencil in your hand when keying.
- Avoid hitting the keyboard with excessive force.
- Rest your eyes by refocusing on distant objects intermittently when working.
- Use a keyboard tray to properly position your keyboard and pointing device.
- Use a copyholder positioned in line with your monitor and keyboard.
- Position the monitor so that the viewed part of the screen allows you to keep your neck in a neutral or straight position.
- Position your monitor to eliminate excessive glare or reflections from windows and lighting.
- Customize your computer by using your software. The screen font, contrast, pointer size, speed, and color can all be adjusted to maximize your comfort and efficiency.
- Aerobic exercise will help to sustain strength, improve cardiovascular conditioning, and counteract the strain of sedentary computer use.

¹⁶ This includes the Display Screen Equipment (DSE) and any optional accessories to the DSE plus items such as; telephone, desk, chair, work surface, document holder. It includes the immediate work environment around the DSE.

¹⁷ DSE are devices or equipment that have an alphanumeric or graphic display screen and includes display screens, laptops, touch screens and other similar devices.

Annex-II: WRITTEN PARTICULARS OF EMPLOYMENT

- 1. Name of Employer: _____
- 2. Name of Employee: _____
- 3. Date Employment began: _____
- 4. Remuneration with allowances: _____
- 5. Date of Payment of Remuneration: _____
- 6. Normal Hours of work: _____
- 7. Nature of work: _____
- 8. Probation Period: _____
- 9. Weekly rest: _____
- 10. Annual Holiday Entitlement: _____
- 11. Paid Public / Festival Holiday: _____
- 12. Payment during sickness: _____
- 13. Pension Schedule, Social security contribution, Provident Fund Gratuity Schedule etc. :

- 14. Any other benefit: _____

- (a) An employee is free to join a trade union or staff association, which is recognized by the undertaking.
- (b) The grievance procedure and disciplinary procedure in this undertaking require to be followed when a grievance arises or disciplinary action that needs to be taken.
- (c) Maternity and nursing benefits in accordance with the PRIDE LMP will apply in case employee is female and entitled for the benefits.
- (d) Employment can be terminated upon one-month notice by any party.

Note: Please enter "Nil" which ever of the above is not applicable.

Employer's signature

.....

Witness

Employee's signature Witness

..... Date.....

Annex-III: Due Diligence during hiring of contractors

All projects / interventions and activities linked with PRIDE may consider the following during selection of contractors for provision of labor or services where workers are involved:

LMP should be made part of the Request for Proposal (RFP) in order to seek contending contractor's understanding of LMP and experience of implementing LMP, both should be given due weightage during evaluation of RFP.

Contending contractors may be asked to provide proof of their registration with Labor Department, Punjab Employees' Social Security Department and Employees' Old-Age Institution (licenses, registrations, permits, and approvals).

The applicant may be asked to provide their record of compliance of labor and OSH standards during the last five years.

The Project should also ask for the following:

- Reports on accident and fatality records and notifications to authorities;
- Records of legally required workers benefits and proof of workers' enrollment in the related programs;
- Workers payroll records, including hours worked and pay received;
- Identification of safety committee members and records of meetings; and
- Copies of previous contracts with contractors and suppliers, showing inclusion of provisions and terms reflecting ESS2.

The contending applicants may also be guided that the applicants will be preferred on the following grounds (Proof required):

- If they are promoting trade union activities in the establishments and believing in social dialogue;
- If they are promoting women employment with gender equity;
- If they are employing and promoting employment of persons with disabilities;
- If they believe in consultation and due representation to workers in all relevant committees;
- If they have established a robust Grievance Redress Mechanism to address workers individual and collective grievances;
- If they have never been prosecuted or penalized on the basis of labor violation by the Government.

Last but not the least, the contending contractors or short listed contractors may be given an opportunity of presentation before the IP/ PSU/ PFMU / Procurement Committee to advocate their case highlighting specific approach and strategy to implement LMP if selected.