

27 March 2020

Workers and Employers- Joint Proposal/ Recommendation to mitigate Corona Virus Impact on Labour

Pakistan Employers Federations and various workers organizations based in Sindh after a series of deliberations through conferences calls during last few days have come up with the following points/ set of recommendations for further discussions and negotiations with the government of Sindh for implementation of its order regarding payment of wages to workers during lock down.

Cooperation

Recognize that the Corona virus (Covid 19), declared by the WHO a world epidemic, requires collective efforts from all sections of the society. There is also a need for more cooperation among various interest groups within socio political and economic settings of a society. In case of Pakistan it requires more close coordination and cooperation among workers, employers' organizations and government agencies to mitigate its impact on labour.

GoS Actions

- Appreciate government of Sindh especially Chief Minister Murad Ali Shah for taking timely measures to curtail the spread of corona virus in the province including lockdown;
- Fully support the government of Sindh order dated 23rd March 2020 asking businesses throughout the province not to lay off any worker during lockdown and pay them salaries/ wages considering this closure period as paid leave;
- Urge the employers in all categories to recognize the severity of the epidemic and conditions of the workers and comply with the government's order in letter and spirit;
- Stand in support of further actions by the GoS and extend unconditional support during the crisis like situation if and when required.

Short Term

- Recognize that the current lockdown is short-term measures and associated actions such as order to pay salaries during lock down is a short term and emergency order;
- There is a need to work out a monitoring mechanism to implement this order. The EFP has already issued public statement asking its members and employers to comply with the government orders and workers organizations are engaged in awareness among workers about this entitlement. However, there is a need to activate labour department mechanism to monitor and implement this order;
- The already existing tripartite mechanism in Sindh should be entrusted to oversee the implementation of this order, though not issued under the labour laws;
- A regular assessment/ implementation report must be prepared and shared regarding the implementation of the order

Medium Term

In case of likelihood of extension of lockdown beyond two weeks' time, the GoS in collaboration with federal government and consultation with workers and employers organizations may consider the following measures actions:

- Decide to pay wages equal to minimum wage to all workers without work from funds available with Labour Welfare intuitions i.e Social Security, Workers Welfare Fund, EOBI etc at least for next three months
- Support daily wagers from various schemes and relief packages announced by federal and government through a cash transfer for at least three months;
- Meanwhile, the government should establish an unemployment/ no work fund with an aim to support citizens losing job due to closure of business/negative economic impact of the epidemic on more regular basis;
- Establish an independent board to oversee the functioning and distribution of this fund;
- Constitute an expert group of the professionals and experts to prepare a plan (at least for one year) to mitigate the impact on labour.

Long Term

- As suggested previously, the only sustainable solution to sustain economic shocks and unemployment on a more permanent basis is a system of Universal Social Security for all citizens. This can be established by combining the all existing labour welfare schemes and social protection programmes and by levy of special tax. This should cover income benefits in case of illness, job loss, unemployment and crisis such as created by spread of Corona virus.
- The government should immediately make an announcement in this regard and constitute a panel of experts and stakeholders to chalk out a plan in this regard within next six months.

Commitment

As representatives of workers and employer once again we assure the governments of Sindh and Federation that we stand in full support and would extend all cooperation required from our side at this difficult time and in materializing this proposal.