

44

BRIEFING PAPER NO.

PILDAT

February 2012

BRIEFING PAPER

Strengthening Democracy and Democratic Institutions in Pakistan

Need for Federal Mandate on Industrial Relation Laws

www.pildat.org

44

BRIEFING PAPER NO.

PILDAT

February 2012

BRIEFING PAPER

Strengthening Democracy and Democratic Institutions in Pakistan

Need for Federal Mandate on Industrial Relation Laws

www.pildat.org

PILDAT
Pakistan Institute of
Legislative Development
And Transparency

PILDAT is an independent, non-partisan and not-for-profit indigenous research and training institution with the mission to strengthen democracy and democratic institutions in Pakistan.

PILDAT is a registered non-profit entity under the Societies Registration Act XXI of 1860, Pakistan.

Copyright ©Pakistan Institute of Legislative Development And Transparency PILDAT

All Rights Reserved

Printed in Pakistan

Published: February 2012

ISBN: 978-969-558-250-3

Any part of this publication can be used or cited with a clear reference to PILDAT.

Support by



And



Published by



Pakistan Institute of Legislative Development and Transparency - PILDAT
Head Office: No. 7, 9th Avenue, F-8/1, Islamabad, Pakistan
Lahore Office: 45-A, Sector XX, 2nd Floor, Phase III Commercial Area, DHA, Lahore
Tel: (+92-51) 111-123-345; Fax: (+92-51) 226-3078
E-mail: info@pildat.org; Web: www.pildat.org

CONTENTS

Preface

Profile of the Author

Executive Summary

Introduction	11
Need to Legislate in Labour Matters and Proposed Federal Authority	11
Question-mark over Federal Legislative Competence Regarding Labour Issues	13
Available Options	14
Federal Legislation	14
Provinces to Relinquish Legislative Power to the Parliament	14
Conforming Amendments in Provincial Laws	14
Recommendations	16
Appendices	
Appendix A: The Obligation of the Pakistani State to Legislate on Labour-related Matters under International Treaties and Covenants	19

Preface

The Briefing Paper on the **Need of Federal Mandate on Industrial Relation Laws** has been authored by **Mr. Babar Sattar** in the backdrop of the expected expiration of Industrial Relations Ordinance 2011.

After the 18th Constitution Amendment all Labour related subjects fell in the domain of provinces and the Federal Government lost the right to legislate over Labour issues. This has resulted in a debate on the need for Federal Legislation to regulate Industrial Relations laws especially relating to trans-provincial issues such as the future of Industrial Relations Commission and labour unions / federations operating in more than one province and labour unions of the employees working with a federal institution. On July 18, 2011, the President of Pakistan promulgated the Industrial Relations Ordinance-IRO 2011. As with all Ordinances, the IRO2011 was set to expire after 120 days on November 17, 2011. It was however given a one-time extension through a resolution of the National Assembly as a result of the protest staged by labour workers.

The Briefing paper has been specially commissioned to assist the stakeholders in finding legal and Constitutional solutions of the issue.

Acknowledgements

PILDAT acknowledges the support and time of **Mr. Babar Sattar** for authoring the paper. PILDAT also acknowledges the support of the Solidarity Center and National Endowment for Democracy-NED for providing the financial support for the briefing paper.

Disclaimer

The views expressed in the paper are not necessarily those of PILDAT, or of the Solidarity Centre and NED.

Islamabad
February 2012



Profile of the Author

Mr. Babar Sattar is a partner at AJURIS, Advocates and Corporate Counsel, an Islamabad based Law Firm. While the focus of his practice has been corporate and commercial law, he is deeply interested and involved with issues related to policy and governance. Previously he was based in New York where he worked for a Wall Street Law Firm – Fried Frank LLP. He is qualified to practice in Pakistan and New York.

Mr. Sattar writes a weekly op-ed column for the New News on issues related to Constitutionalism, governance and politics. He is regularly invited by electronic media to comment on current legal and constitutional issues as an expert. He has taught intellectual property law at the Lahore University of Management Sciences and military sociology, international law, politics of Pakistan and Law and Gender at Quaid-i-Azam University Islamabad.

Mr. Sattar read Jurisprudence at Oxford University as a Rhodes Scholar after getting a MSc. in International Relations at Quaid-i-Azam University Islamabad. He also holds a L.L.M from Harvard Law School. He is currently a member of the Pakistan Rhodes Scholar Selection Committee.

Executive Summary

With the promulgation of the 18th Amendment to the Constitution, the Federal Government's authority to legislate minimum labour and industrial relations with regards to Pakistan's international obligations has noted several transformations. The changes in the country's legislative landscape demand that the Federal Government evolves its framework for managing industrial relations without undermining the devolutionary spirit of the 18th Amendment.

Legislation pertaining to industrial relations is critical for regulating individual and collective employment relationships, including norms and standards for conciliation, arbitration and adjudication. An ideal legislative enactment on industrial relations establishes institutional mechanisms to guarantee the availability of several basic rights to labour including the freedom of association and right of collective bargaining.

Pakistan has a defined framework of constitutional rights for labour and it has signed International Labour Organization (ILO) Conventions to implement core labour standards, including those relating to the working citizens' rights to unionize freely and bargain collectively. Thus Pakistan's industrial relations legislation ought to take into account emerging trends in labour management, facilitate smooth resolution of employer-labour tensions, guarantee labour its due rights, and equitably accommodate all three relevant stakeholders, i.e., the government, the employers, and the labour.

In the event that the Federal Government believes that it has no legal mandate to legislate in relation to labour matters in the post-18th Amendment scenario or would not like to assume such mandate if deemed likely to undermine the devolution of legislative authority, it could still recommend to the Provincial Governments that in consonance with Pakistan's labour practices, the Provincial Assemblies explicitly delegate to the Federal Government the authority to legislate with regard to minimum standards for labour welfare and trans-province trade unions.

Thus the object of the federal law should be delineated in such manner that it is not seen as a challenge to provincial authority but a set of recommendations that introduce and define minimum labour standards, and, specifically establish the requisite institutional paraphernalia (i.e., National Industrial Relations Commission, Labour Courts, Registrar, etc.) for administration and enforcement of such law.

There remains the need for federal legislation to regulate and enforce labour rights in order to mediate the differences between industrial relations laws promulgated by Provinces since these differences could create legal uncertainty across the territorial jurisdiction of two or more provinces.

Introduction

Industrial relations legislation is fundamental to implementing and regulating a mechanism for promoting individual and collective employment relationships. In that respect, an ideal legislative enactment on industrial relations deals with issues of trade unionism, collective bargaining, workers' participation in management, and the harmonious resolution of employment disputes, in recognition of the fact that harmonious relations at the workplace promote efficiency, productivity and decent work. It establishes institutional mechanisms to guarantee the availability of the most basic rights to labour including the freedom of association and right of collective bargaining. It is also meant to provide a just and workable framework for conciliation, arbitration and adjudication as per internationally accepted norms and standards.

Pakistan has a defined framework of constitutional rights for labour and it has signed International Labour Organization ("ILO") Conventions to implement core labor standards, including those relating to the working citizens' rights to unionize freely and bargain collectively. Pakistan is also a signatory to the International Covenant on Economic, Social and Cultural Rights ("ICESCR") which embodies a number of specifications linked to labor rights and economic independence. Also, the Global Jobs Pact adopted in June 2009 by the ILO calls on its member States to put decent work opportunities at the core of their responses to economic crisis, including an emphasis on increased respect for freedom of association.

Industrial relations regime that is conducive to social development and well being of Pakistan's labour population must, first and foremost, comply with internationally agreed standards and requirements. Thus Pakistan's industrial relations legislation ought to

- i. be futuristic and not just in compliance with formally mandated international standards but also the emerging trends in labour management,
- ii. facilitate smooth resolution of employer-labour tensions by offering an inclusive framework for meaningful engagement of the labour with the economy,
- iii. guarantee labour its due rights, and
- iv. equitably accommodate all three relevant stakeholders i.e. the government, the employers, and the labour.

The promulgation of the 18th Amendment and deletion of the Concurrent Legislative List, which enumerated subjects in relation to which the Parliament and the provincial legislatures were authorized to legislate, has triggered a debate with regard to the respective legislative competence of the federal and provincial legislatures. The Constitution, as amended through the 18th Amendment, now limits the legislative competence of the Parliament to matters enumerated in the Federal Legislative List.

Consequent to the promulgation of the 18th Amendment, Items 26 and 27 of the Concurrent Legislative List reflecting concurrent legislative competence of the Parliament and the provincial legislatures in relation to "*welfare of labour; conditions of labour, provident funds; employer's liability and workmen's compensation, health insurance including invalidity pensions, old age pensions*", and "*trade unions; industrial and labour disputes*", respectively, also stand abolished.

However, it is the contention of this paper that the State's obligation in respect of ensuring universal labour freedoms and guarantees remains intact. The Parliament's ability to legislate in relation to matters enumerated in this list and ancillary matters remains unfettered, even if it has the effect of regulating labour rights and relations that do not fall exclusively within the scope of a province.

Need to Legislate in Labour Matters and Proposed Federal Authority

The Constitution contains provisions for the economic and social well being of the people and for the promotion of social justice. Fundamental rights with regard to the security of life or liberty, prohibition of slavery and forced labour, and the right to form associations or unions, among others, are enshrined in the Constitution. Any law, custom, or usage inconsistent with these fundamental rights is void and the State is prohibited from making any law that curtails these fundamental rights.¹

Most of the rights and privileges secured to the working people of Pakistan under labour laws are enshrined in Chapter IV of the Constitution, which stipulates the fundamental rights of the citizens.

- (i) **Article 9** stipulates that no person shall be deprived of life or liberty, save in accordance with the law;

1. Article 8

Need for Federal Mandate on Industrial Relation Laws

- (ii) **Article 11** prohibits slavery and all forms of forced labour and trafficking in human beings;
- (iii) **Article 17** deals with freedom of association and provides that “*every citizen shall have the right to form associations or unions, subject to any reasonable restrictions imposed by law in the interests of morality or public order*”;
- (iv) **Article 18** proscribes the right of its citizens to enter upon any lawful profession or occupation and to conduct any lawful trade or business;
- (v) **Article 25** lays down the right to equality before the law and prohibition of discrimination on the grounds of sex alone; and
- (vi) **Article 37(e)** makes provision for secure and humane conditions of work, ensuring that children and women are not employed in vocations unsuited to their age or sex.

Likewise the state of Pakistan is also under binding legal obligation to legislate for provision of labour rights under various international treaties and covenants that Pakistan is party to.²

There is legal basis to argue that the Parliament is authorized to promulgate a Federal Industrial Relations and Minimum Labour Standards law even after the 18th Amendment. The relevant provisions of the Constitution that confer such legislative authority on the Parliament are as follows:

- (i) Pursuant to Item 3 in Part I of the Federal Legislative List, “*external affairs; the implementing of treaties and agreements*” falls within the exclusive legislative realm of the Federal Parliament.
- (ii) A new Item 32 has been introduced via the 18th Amendment in Part I of the Federal Legislative List, which enables the Federal legislature to legislate on subject matters covered by “*international treaties, conventions and agreements and International arbitration*”.
- (iii) Under items 58 and 59 of Part I of the Federal Legislative List, the Parliament is competent to legislate in relation to “*matters which under the Constitution are within the legislative competence of the Majlis-e-Shoora (Parliament) or relate to the Federation,*” and “*matters incidental or ancillary to any matters enumerated in this Part*”, respectively.
- (iv) The aforesaid provisions read with Article 17,

which makes it a State obligation to guarantee to “*every citizen... the right to form associations or unions*” allow the Parliament to legislate in relation to its obligations under Article 17 of the Constitution.

- (v) Legislation on labour matters that affect (i) industries that remain Federal subjects, (ii) industries that fall within Federal areas, and (iii) industries and unions that spread across two or more Provinces, can be undertaken Federally under Item 13 in Part II of the Federal Legislative List concerning “*inter-provincial matters and coordination*”.

The two-part test laid down to by the Supreme Court in *Elahi Cotton Mills Ltd. vs. Federation of Pakistan* to ascertain whether a legislature has competently exercised its jurisdiction or not has been stated as follows: “so long as it does not transgress or encroach upon the power of the other legislature and also does not violate any fundamental right.”³ This test was stated after clarifying that “entries contained [in legislative lists] indicate the subjects on which a particular legislature is competent but they do not provide any restriction as to the power of the legislature concerned.” And the apex court further reiterated that it is settled law that an entry in a legislative list cannot be construed narrowly or in a pedantic manner and that it ought to be given a liberal construction.

It needs to be understood that despite the distribution of subjects into various legislative lists, there can be no bright-line subject-matter division and distribution of legislative authority between the federal and provincial legislatures. Irrespective of how many legislative lists a written constitution provides, there will always be a grey area with regard to certain subject matters wherein the legislative authority and competence of two legislatures overlaps. In such areas the legislatures would enjoy concurrent jurisdiction, to the extent that they do not fail the two-part legislative competence test stated above. And in determining whether or not a legislature is encroaching upon or usurping the legislative authority belonging to another legislature, the court would ascertain the dominant purpose of the legislation in question.

After the 18th Constitutional Amendment and omission of the Concurrent Legislative List, if the Parliament elected to legislate to regulate labour rights and relations that exclusively fell within the domain of a province it could be

2. Annex A

3. 1997 PTD 1555 (relying on Assistant Commissioner of Land Tax, Madras and others vs. Buckingham and Carnatic Co. Ltd. (1970) 75 ITR 603; and The Elal Hotels and Investments Ltd. and another vs. Union of India AIR 1990 SC 1664.

asserted that the Parliament was encroaching upon the authority of a provincial assembly. But in the event that the Parliament promulgates some legislation the dominant purpose of which is to regulate and administer a subject listed within the federal legislative list, but has the ancillary effect of also regulating a subject that falls within the competence of the provincial assembly, it is arguable that such legislation would be valid.

Thus, if the Parliament chooses to establish a Federal Industrial Relations and Minimum Labor Standards law that is meant to regulate labour relations in areas that fall beyond provincial territories, such as Islamabad Capital Territory for example, and enforce minimum labour standards in accordance with Pakistan's international obligations, it is arguable that such federal law would be the product of valid exercise of the Parliament's legislative jurisdiction. Even though such law would impact labour relations within the territories of provinces as well, so long as the dominant purpose of such law is to exercise authority in relation to a matter listed in the federal legislative list and not to usurp authority delegated to a provincial assembly, it is likely that such law would be upheld as valid.

There remains the need for federal legislation to regulate and enforce labor rights to a certain extent for the following reasons:

- there will always be certain federal territories that fall beyond the legislative competence of all four provincial assemblies and the Parliament will need to legislate to extend labor rights to such territories;
- provincial assemblies do not have the legislative competence to give effect to international treaties and covenants as they are a subject-matter listed under the Federal legislative List and it remains the obligation of the Parliament to translate our international obligations, even in realm of labor rights and industrial relations, into municipal legal obligations; and
- To the extent there are differences between industrial relations laws promulgated by provinces as well as the dispute resolution mechanisms provided therein, such differences could create legal uncertainty for labor unions that spread across the territorial jurisdiction of two or more provinces.

Question-mark over Federal Legislative Competence Regarding Labour Issues

Notwithstanding the need for federal legislation in the realm of labour and the argument that the Parliament has the mandate to do so, there hangs a cloud over the competence of the Parliament to legislate in relation to trade unions and the welfare of labor in view of dicta of the apex court in *Air League of PIAC Employees vs. Federation of Pakistan*.⁴ In this case the Supreme Court held that the Industrial Relations Act, 2008, was temporary legislation that stood repealed after completion of the statutory period provided in section 87(3) of the said act and that the life of the law not extended by the protection afforded to existing laws under clause (6) of Article 270AA introduced by the 18th Amendment.

But the court also noted separately that, “by means of the 18th Constitutional Amendment the Concurrent Legislative List was abolished and the Federal Government had lost the power to legislate regarding Labour Welfare and Trade Unions, which subject devolved upon provinces.”⁵ It must however be noted that this observation was in consonance with the position taken by the Federal Government as the apex court noted the submissions of the Attorney General that, “after the 18th Constitutional Amendment matters relating to welfare etc. is the subject of the provinces and the legislation has to be made by the provinces and in view of the fact that the IRA, 2008 has lost its operation on account of in built provision of section 87(3), therefore, the NIRC cannot function any further.”⁶

And in concluding the matter, the court left open the issue of legality of the provincial labor laws to the extent that they purported to register country-wide labour unions by noting that the amicus curiae had questioned the vires of provincial labour laws “on the ground that there are many Institutions/Corporations which have their branches all over the country and there are countrywide Trade Unions but now Trade Union can only be registered under the legislation of a specific province.” But that, “instant proceedings have been initiated under Article 184(3) of the Constitution with a limited purpose of having a declaration that IRA, 2008 on the basis of 18th Constitutional Amendment stood protected and continued till 30th June, 2011, therefore the vires of the same cannot be considered in such proceedings. However, as stated earlier Article 144(1) of the Constitution has provided mechanism for

4. Constitutional Petition No. 24 of 2011.

5. Ibid. Para 18.

6. Ibid. Para 10.

7. Ibid. Para 27.

Need for Federal Mandate on Industrial Relation Laws

making central legislation in respect of matters not covered by the Federal Legislative List.”⁷

Notwithstanding the above it is arguable that the apex court's view regarding the lack of Parliament's competence to legislate in relation to trade unions and welfare of labor is obiter dicta (i.e. not binding judicial determination but passing comments), which remain subject to settled law on legislative interpretation including the need to broadly construe legislative lists and determine the dominant purpose of legislation. As the federal government took the position that the Parliament was no longer competent to legislate in relation to trade unions and welfare of labour, the apex court was simply not assisted on the point of the continuing need for limited-purpose federal legislation to uphold and regulate labour rights. As stated above, the court has already left open the issue of regulating trade unions that spread across provinces and cannot be exclusively subjected to the labour laws of a particular province.

Available Options

While the Supreme Court has already noted that the provinces can delegate their legislative authority to the Parliament pursuant to Article 144(1) of the Constitution, authorizing it to legislate in relation to regulation of trade unions and welfare of labour, there are other avenues available as well. The issue of continuing legislative competence of the Parliament to legislate in relation to labour rights for the limited purpose of

- extending rights to federal territories,
- regulating trade unions spread over two or more provinces, and
- mandating minimum labor standards in compliance with Pakistan's international obligations, could be referred to the Supreme Court for an advisory opinion under Article 186 of the Constitution.

Alternatively, the Parliament could simply promulgate a law for the above-stated purposes and in the event that the legality of such law is questioned, the courts could be appropriately assisted and informed that such federal legislation does not usurp provincial legislative mandate but is meant to uphold the fundamental rights of citizens across Pakistan and enforce the country's international obligations pursuant to legislative authority that remains vested in the Parliament and beyond the scope or authority and

responsibility of provincial assemblies. However, in order to avail any of these options it is essential to lobby mainstream political parties, and especially the ruling party, in order to highlight the continuing need for federal legislation and urge the mainstream political parties to clarify their position in this regard.

Federal Legislation

The Parliament could promulgate a federal law setting minimum standards in compliance with Pakistan's international labour obligations and in furtherance of the object of “*implementing of treaties and agreements*” under Item 3 in Part I of the Federal Legislative List. Additionally, legislation on labour matters that affect

- industries that remain Federal subjects,
- industries that fall within Federal areas, and
- industries and unions that spread across two or more Provinces, could be undertaken under Item 13 in Part II of the Federal Legislative List concerning “*inter-provincial matters and coordination*”.

Provinces to Relinquish Legislative Power to the Parliament

In the event that the Federal Government believes that it has no legal mandate to legislate in relation to labour matters in the post-18th Amendment scenario or would not like to assume such mandate if deemed likely to undermine the spirit of provincial autonomy and devolution of legislative authority, it could still recommend to the provincial governments that

- in the interest of welfare of labour in general,
- in order to abide by Pakistan's international obligations, and
- in consonance with Pakistan's labour practices, the provincial assemblies explicitly delegate to the federal government the authority to legislate with regard to minimum standards for labour welfare and trans-province trade unions.

Conforming Amendments in Provincial Laws

While a federal law to fill in the gaps in labour rights identified above, uphold international obligations and address the legal uncertainty for trans-province labour unions is desirable, it is not inconceivable that such issues could be addressed by introduction of appropriate amendments to existing provincial laws.

Need for Federal Mandate on Industrial Relation Laws

The provinces could be lobbied to include within their laws at least two fundamental provisions: one, that in the event that a cause of action arose in another province, the affected party would have the right to rely on the dispute resolution mechanism within the province in which the labor union is registered or that under the law of the province in which such cause of action has arisen i.e. confer on the dispute resolution forums in other provinces the jurisdiction to resolve disputes that arise in the territory of such provinces; and two, require and delegate to the provincial government the authority to amend minimum labour standards (as mandated by international best practices and Pakistan's treaty obligations) listed in a schedule to the provincial law in accordance with notifications for the purpose issued by the Federal Government.

Recommendations

Industrial relations are increasingly being called employment relations because of the importance of non-industrial employment relationships. Businesses now consider a wider range of factors, and place a greater emphasis on other factors such as employee motivation. With the transformed phase in the country's legislative landscape that has followed the 18th Amendment, the federal government is faced with a crucial policy choice of either limiting itself to mandating minimum labor and industrial relations standards compliant with Pakistan's international obligations, or developing a holistic law covering a broader base of employment and workplace relationships as opposed to just 'industrial' relationships.

The emergence of 'human resource management' as an important function of a business means that employment relations are no longer viewed simply as industrial relations. The Government can take lead from the emerging global trends in this regard to formulate a comprehensive legislative framework that has a twofold focus: horizontal i.e. that focuses on issues such as harassment, equal treatment, discrimination at workplace etc; and vertical i.e. by widely defining the scope of employer-employee relationships without limiting them to a specific segment of the economy.

There is need to determine and expressly provide for the jurisdiction of the Parliament in relation to (i) industries that remain Federal subjects, (ii) industries that fall within Federal areas, and (iii) industries and unions that spread across two or more Provinces, and thus concern "*inter-provincial matters and coordination*", to the exclusion of industries which fall within provincial domains and would be amenable to provincial mechanism for adjudication and dispute resolution pursuant to the respective provincial legislations.

The object of the federal law should be delineated in such manner that it is not seen as undermining the devolutionary spirit of the 18th Amendment. It is thus recommended that such federal law should set out to:

- introduce and define minimum labor standards that provincial legislations must comply with;
- create a mandatory framework for Industrial Relations or Employment /Workplace Relations for the federal areas and such organizations and

unions that spread across two or more provinces; and

- specifically establish the requisite institutional paraphernalia (i.e. National Industrial Relations Commission, Labor Courts, Registrar etc.) for administration and enforcement of such law, which would provide a choice to trade unions that function in more than one province to register themselves under such law.

Finally, whatever the choice of legislative form, the State should endeavor to put in motion a meaningful consultative process of engagement and discussions on any proposed law in order to preempt the familiar complaint of stakeholders regarding an ineffective implementation of the tripartite consultation framework in the country and enhance ownership of the adopted policies among the stakeholders i.e. labor, employers and government and to promote economic progress of the country in the long run.

APPENDICES

Appendix A

The Obligation of the Pakistani State to Legislate on Labour-related Matters under International Treaties and Covenants

Pakistan and International Labour Organization

Pakistan joined the ILO in 1947, and has since then ratified 34 ILO Conventions. The ILO declared eight Conventions as fundamental to workers' rights worldwide (known as the Core Conventions) grouped by ILO under four most basic labor rights i.e. (i) core labor rights that include the right to organize and engage in collective bargaining,⁸ (ii) the right to equality at work,⁹ (iii) the abolition of child labor,¹⁰ and (iv) the abolition of forced labor,¹¹ all of which have been ratified by Pakistan.

In order to nurture conducive environment for collective bargaining and harmonious resolution of labor disputes, the legal and political system must first and foremost tolerate the existence of trade unions by guaranteeing them freedom of association and the right to organize as envisaged by the Convention No.87, the Convention No.98 and the Collective Bargaining Convention, 1981 (No.154).

Article 1 of ILO Convention No. 98 provides that “workers shall enjoy adequate protection against acts of anti-union discrimination in respect of their employment”. Paragraph 2 spells out the scope of such protection: “Such protection shall apply more particularly in respect of acts calculated to (a) make the employment of a worker subject to the condition that he shall not join a union or shall relinquish trade union membership; (b) cause the dismissal or otherwise prejudice a worker by reason of union membership or because of participation in union activities outside working hours or, with the consent of the employer, within working hours”. This form of workers' protection is a key aspect of freedom of association, as acts of anti-union discrimination can in practice lead to a denial of the guarantees provided in Convention No. 87.

The effectiveness of the protection accorded under the law depends not only on the content of the provisions concerned, but also on the way in which they are applied in practice and, in particular, on the efficacy and rapidity of measures designed to ensure their application. It is in this context that brings out the full meaning of Article 3 of Convention No. 98, which states, that “machinery appropriate to national conditions shall be established, where necessary, for the purposes of ensuring respect for the right to organize...”

Article 2.1 of Convention No. 98 further states that “workers' and employers' organizations shall enjoy adequate protection against any acts of interference by each other or each others' agents or members in their establishment, functioning or administration”.

Article 4 of Convention No. 98 provides that “measures appropriate to national conditions shall be taken, where necessary, to encourage and promote the full development and utilization of machinery for voluntary negotiation between employers or employers' organizations and workers' organizations, with a view to the regulation of terms and conditions of employment by means of collective agreements”. This provision therefore carries two components: the action needed on the part of the public authorities to promote collective bargaining, and the voluntary nature of bargaining, which in turn presupposes the independence of the parties with respect to one another as well as with respect to the public authorities.

Pakistan is thus under obligation to transform these Convention policies into legally binding form. When a member state ratifies a Convention, it agrees to (i) implement the Convention in its entirety and to review its national legislation vis-à-vis the provisions of the ratified Convention, and (ii) report at regular intervals to the supervisory mechanisms of the ILO.

ILO Global Jobs Pact

Article 14 of the Pact states that “International labour standards create a basis for and support rights at work and contribute to building a culture of social dialogue particularly useful in times of crisis. In order to prevent a downward spiral in labour

8. ILO Convention No. 87 - Freedom of Association and Protection of the Right to Organize, 1948; ILO Convention No. 98 - Right to Organize and Collective Bargaining, 1949

9. ILO Convention No. 111 - Discrimination (Employment and Occupation), 1958; ILO Convention No. 100 - Equal Remuneration, 1951

10. ILO Convention No. 138 - Minimum Age Convention, 1973; ILO Convention No. 182 - Worst Forms of Child Labor, 1999

11. ILO Convention No. 29 - Forced Labor, 1930; ILO Convention No. 105 - Abolition of Forced Labor, 1957

Need for Federal Mandate on Industrial Relation Laws

conditions and build the recovery, it is especially important to recognize that respect of fundamental principles and rights at work is critical for human dignity". To that end, the Pact binds ILO member states to commit to increase (among other objectives) "respect for freedom of association, the right to organize and the effective recognition of the right to collective bargaining as enabling mechanisms to productive social dialogue in times of increased social tension, in both the formal and informal economies."

International Covenant on Economic, Social and Cultural Rights (ICESCR)

The ICESCR is a multilateral treaty adopted by the United Nations General Assembly on December 16, 1966, and has been in force since January 3, 1976. Upon signing the Covenant, Pakistan committed itself to work toward the granting of economic, social, and cultural rights to individuals, including labor rights and rights to health, education, and an adequate standard of living.

Article 6 of the Covenant recognizes the right to work, defined as the opportunity of everyone to gain their living by freely chosen or accepted work. Parties are required to take '*appropriate steps*' to safeguard this right, including technical and vocational training and economic policies aimed at steady economic development and ultimately full employment. The right implies parties must guarantee equal access to employment and protect workers from being unfairly deprived of employment. They must prevent discrimination in the workplace and ensure access for the disadvantaged.

The work referred to in Article 6 must be decent work. Article 7 of the Covenant recognizes the right of everyone to '*just and favourable*' working conditions. These are in turn defined as fair wages with equal pay for equal work, sufficient to provide a decent living for workers and their dependants; safe working conditions; equal opportunity in the workplace; and sufficient rest and leisure, including limited working hours and regular, paid holidays.

Article 8 recognizes the right of workers to form or join trade unions and protects the right to strike. It allows these rights to be restricted for members of the armed forces, police, or government administrators only.



Pakistan Institute of Legislative Development And Transparency - PILDAT

Head Office: No. 7, 9th Avenue, F-8/1, Islamabad, Pakistan

Tel: (+92-51) 111 123 345 | Fax: (+92-51) 226 3078

Lahore Office: 45-A, 2nd Floor, Sector XX, Phase III, Khayaban-e-Iqbal, DHA, Lahore, Pakistan

Tel: (+92-42) 111 123 345 | Fax: (+92-42) 3569 3896

Web: <http://www.pildat.org>; E-mail: info@pildat.org