



Safety practices in informal industrial segment of Pakistan

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ABSTRACT

This research endeavor is aimed at investigating the current status of health and safety (HS) practices in informal organizations. Data was collected from 35 small manufacturing firms and 156 construction sites, operating in small towns, using systematic observation and unstructured interviews of both employers and employees. Survey results showed that the working environment in Pakistani informal organizations is poor, as both employers and employees are either not familiar or not performing their due roles towards safety practices. Results also showed that noise, presence of perilous chemical and ergonomic hazards were widely present at work settings. It was also noticed that most of the incidents went unreported due to informal industrial settings. The outcomes of the study offer a direction for policy makers, i.e. to focus on largest employing sector where employees are prone to high level of risks. This study, if implemented, will also help employees indirectly by creating a pressure on employers to offer conducive and thriving environment.

1. Introduction & background

1.1. Occupational health & safety

International Labor Organization (ILO) estimated that more than 2.2 million people suffer/die due to disease and accidents caused at workplace. These injuries include 350,000 injuries caused due to workplace accidents and 1.7 million that are attributed to work related diseases. Thus, making an alarming figure of 6000 work related demises in one day. Moreover, it is also reported that around 270 million persons suffer from non-terminal injuries and 160 million suffer from work related diseases, in a year. These work related injuries and diseases swallow a big amount (i.e. 4%) of world gross domestic product (GDP); covering costs related to injuries, deaths, diseases, absenteeism, disability, sickness treatment and survivor benefits (Mahmood and Gill, 2014; "Facts on Safety at Work", 2005).

Various parts of the world have seen increasing economic costs associated with HS issues; for instance, it is reported that work related injuries and illness cost \$ 250 billion to US economy in 2012. It is also important to notice that only in 2007, 8.5 million US workers had fatal and non-fatal work related injuries and 0.516 million workers had fatal or non-fatal work related illness while 59,102 workers lost their lives. It is further alarming that these deaths were more than the casualties caused by traffic crashes (43,495), breast cancer (40,970),

and prostate cancer (29,093) ("US work related injuries", 2012). A report from Canadian Centre for Occupational Health and Safety (CCOHS) testified that such issues cost \$39.8 billion to Canadian economy in 2002.

HS also bears indirect costs associated with it; for instance Katraro et al., (2010) found that workers with occupational health issues prove to be slower and indolent at work thus not meeting their targets. Webb (1989) also inferred that occupational safety and health influences employees' physical and mental abilities; thus positively influencing their productivity (Webb, 1989), reducing absenteeism (Brandt-Rauf, et al., 2001), and performance (Chan and Mak, 2012). Moreover, it is also noticed that provision of occupational health and safety supportive environment at work can increase the safety (Arezes and Miguel) and financial performance of an organization (e.g. Fan and Lo, 2012). It is evident from literature that most of the accidents (i.e. 98%) are caused due to unsafe conditions and acts, and are, therefore avertible (Mucheemedzi and Chamba, 2006).

Considering both prevailing safety issues and possible outcomes associated with OHS, legislations have been made in all parts of the world; e.g. ILO declares the international safety standards (i.e. International Labor Standards) and these are globally applicable. The "Occupational Health and Safety Convention of 1981 (No. 55 & 164)" is the mostly adopted and useful measure that provides a useful framework for safety and health at workplace. The ILO standardization

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includes more than 70 “conventions” and “recommendations” regarding safety and health issues at work. ILO has also issued 30 “Codes of Practices for Occupational Health and Safety”, thus making things tranquil for nations to adopt and work at (“Facts on Safety at Work”, 2005). The ILO offers many legislative contributions, but the most important are: “Promotional Framework Convention on Occupational Safety and Health”, 2006; “The List of Occupational Diseases Recommendations, 2002 (No. 194)”; “The Safety and Health Convention”, 2001 (No. 184, 192); “The Safety and Health in Mines Convention, 1995 (No. 176 183); Chemicals Convention, 1990 (No. 170, 177); “The Safety and Health in Construction Convention”, 1988 (No. 167, 175); “The Occupational Health and Safety Convention, 1985 (No. 161, 171)”; “Working Environment Convention”, 1977 (No. 148, 156); and they Hygiene Convention, 1964 (No. 120)”.

1.2. Occupational health & safety in Pakistan

These international standards are adopted by member states and organizations. Sometimes, these guidelines are used to develop indigenous HS laws. For instance, U.S. has its own Occupational Health and Safety Act (1970), European Union member states are directed by the European directorates on organizational safety and health (article 153 of the Treaty of the functioning of European Union). Other parts of the world, here Pakistan also have its own safety and health laws related to workplace. The foremost safety document is the constitution of the country, itself, where section 37(e) makes provision for humane and safe conditions at work. It also focuses on the issue that women and children cannot be employed at the place where age or gender based health and safety issues may arise. The labor policies (2002 & 2010) also value the presence of safe and protected working environment and formation of “National Health and Safety Council” (Mahmood and Gill, 2014). The National Labor Protection Policy of 2005 also requires that employers should ensure that the environment should be safe and all the hazardous or perilous elements should be mitigated, controlled and eliminated, so that accidents could be avoided. It is further highlighted that these laws have universal implications and organization working under the umbrella of any economic sector are supposed to develop a safety culture and support its true implications at work setting.

The basic commandments were inherited from British colonial laws, which were modified and used to meet the needs of time. The main law applicable at work setting is the Factories Act, 1934 that governs the health and safety at workplace (through chapter-III of the act). Other laws (i.e. Mines Act of 1923; Workers’ Compensation Act, 1923; Dock Labourers Act, 1934; Hazardous Occupations Rules, 1963; Social Security Ordinance, 1965; Shops & Establishments Ordinance, 1969; Dock Workers Act, 1974; Punjab Factories Rules, 1978) have categorized certain professions and occupations as precarious and provide provisions to govern and regulate work place.

It is evident that the prevalent laws governing work related safety and health issues are not up to date and do not harmonize with contemporary technological and technical changes. It is also evident that many of the sectors (e.g. agriculture, cottage industry, construction) are not governed by these laws. Thus leaving a big gap in theory and practice, that needs attention from legislative bodies working in the country. Moreover, these laws cover very few technical aspects (e.g. occupational exposures limits are verbosely accepted but are still un-addressed in the labour laws of Pakistan (Mahmood and Gill, 2014).

Recent changes (i.e. 18th Amendment) in the constitution has empowered provinces to make numerous decision related to governance and labour subject is also part of such liberation. Now, each province is responsible for its own labour, health & safety laws. The province of the Punjab, (the largest province with highest share in GDP i.e. 57%, with annual growth rate of 3.1% which is higher than the national growth rate of 2.9%; Punjab Government Report, 2005; Saleem and Nisa, 2014), is trailing this challenge proactively (Mahmood and Gill, 2014). Recently, Punjab health and safety council has been notified; moreover,

“Directorate General of Labour Welfare” (DGLW) in collaboration with its social partners is working on current labor and health related laws and trying to reform the laws to meet the needs of today and future. The department (i.e. DGLW) also accepts proposal on various issues related to work place legislations and implication systems in order to increase the possibility of implications of health and safety practices at workplace. As Punjab is the most important province (with largest population junk and largest contribution in country GDP), it covers the most diversified industrial, agricultural and economic set up.

1.3. Occupational health & safety issues in informal economy

Informal economy is an important segment of world economic system, where it is estimated that it covers major junk of employment across the globe. It was estimated that it covered around 72% of non-agricultural employment in sub Saharan Africa; 65% in Asia; 51% in Latin America and 48% in North Africa in 2002 (Tahir and Tahir, 2012). This rate has not shifted significantly since then, as ILO investigation (of 2009–10) for 41 countries shows that 15 countries had two third of their employment covered by the informal sector, and this ratio is above 50% for remaining countries (“Women and Men in Informal Economy: A statistical Picture”, 2013).

While having a profound look at the economic structure of Pakistan, it is imperative to notice that informal segment employees a greater bunch of work force (i.e. 73.8% males and 71.7% females; see Table 1). Major portion of informal occupants cover both self-employment (men 46.3% and women 32.8%) or wage employment (men 43.6% and women 48.6%) It is also valuable to share that rural and urban locations don’t make major difference for self-employment (97.4% urban and 98.2% rural were self-employed) but there was noticeable difference in wage employment (i.e. 60% urban and 73.6% rural). Moreover, informal employment in found in all segments of the economy (see Table 2).

The value of informal economy is also cherished because of its contribution to Pakistan economy, i.e. 30–50% share of GDP (Sherani, 2013). Sherani (2013) further comments that “the trend of informality of the economy is no cause for celebration”, as it brings many negative impediments with it, mainly the involvement of local players, small scale, lack of multiplying effects of investment, quality of job; but the foremost is the issues of protection and safety at work, as the quality of job offered by both the sectors differ significantly.

But a profound look at the literature highlights the fact that working conditions are poor in Pakistani organizations, and there is dearth of academic literature probing this issue (Ahmed et al., 2018). Out of the very few studies, the work of Farooqui et al. (2008) revealed that there were poorly implemented safety practices at informal organizations. Similarly, Mohamed et al. (2009) found that workers valued the importance of safety but the implementation was poor. The recent study of Ahmed et al. (2018), highlighted the workplace realities of informal construction industry. They found that there is lack of knowledge of health and safety; and much is not being done to overcome the work related health issues. While informal economy is a function of developing economy (Pandita, 2006), and due to lack of resources and access to health services the working environment are often poor (Awan, 2007).

Table 1
Employment by various sector of Pakistan economy.

Sector	2010–11			2012–13		
	Employment	Male	Female	Employment	Male	Female
Formal	26.2	25.9	28.9	26.4	26.2	28.3
Informal	73.8	74.1	71.1	73.6	73.8	71.7

Source: Pakistan Labor Force Survey, 2012–13.
All results are in %.

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