

Unpaid Family Workers In Pakistan

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Rising global concerns with the deteriorating quality particularly of female employment have led to the inclusion of the proportion of unpaid female as family workers in the employed, as one of the targets of the Millennium Development Goals. By definition unpaid family workers are not paid remuneration. Being part of the family, they share the food and lodging incurred by the family.

A study conducted by the Planning Commission, Government of Pakistan using data for the years 2001-02 and 2005-06 showed that unemployment rate in the country reported in the Labour Force Survey released by Federal Bureau of Statistics (FBS) touched a peak of 8.3 percent in 2001-02. It declined to 7.7 percent in 2003-04 and subsequently to 6.2 percent by 2005-06. The fall in unemployment, however, has been accompanied by a rise in the proportion of unpaid family workers² in total employment. It increased from 20.8 percent in 2001-02 to nearly 27 percent in 2005-06 – a significant rise of over 6 percentage points. All other categories of the employed except employers registered a decline in their share during this period; the share of the self-employed in total employed decreased from 38.5 percent to nearly 35 percent, while the proportion of paid employees fell from 39.9 percent to 37.3 percent of the employed, during the same period.

In terms of growth in absolute numbers, while overall employment increased at the rate of 3.44 percent per annum during 2001-02 and 2005-06, unpaid family workers grew more than twice the rate at 8.91 percent per annum⁵. This was the highest growth recorded among categories of employed, i.e., paid employees, self-employed and the employers. Thus, it can be clearly inferred that the increase in employment between 2001-02 and 2005-06 was mainly driven by the unpaid family workers, who contributed an increase of 4.39 million to a total of 7.35 million additional jobs created as per official statistics during this period. In other words, 60 percent of the increase in employment was due to employment of unpaid family workers, also known as family contributing workers in the ILO literature.

A substantial majority of unpaid family workers were employed in the agricultural sector in the years 2001-2 and 2005-06. In 2001-02, 77.2 percent of the unpaid family workers were employed in the agriculture sector, which increased to nearly 91 percent in 2005-06. Between 2001-02 and 2005-06, an additional 3.86 million jobs were generated for unpaid family workers in agriculture. Following agriculture, the highest percentage of unpaid family workers was found in the whole sale/retail trade and manufacturing sectors in both the years.

The finding of a rising proportion of unpaid family workers in the agriculture sector between 2001-02 and 2005-06 is further corroborated by the similar rural/urban areas which shows that their proportion in the rural areas increased from 85.4 percent in 2001-02 to 87.2 percent in 2005-06. In absolute terms, a total of 3.97 million jobs were generated for unpaid family workers in rural areas between 2001-02 and 2005-06.

Data on unpaid family workers by sector of employment shows that the share of unpaid family workers in the non-agricultural formal sector declined drastically from 3.2 percent in 2001-02 to just 0.8 percent by 2005-06. In other words, on a more positive note either the tendency to work in the formal sector without remuneration (supply side) decreased, or it became cost effective for the formal sector to hire workers on remuneration (demand side). Offsetting this decline was increase of 0.7 million workers in the informal sector during the period under review, although the overall share of unpaid family workers in the informal sector declined from 19.6 percent in 2001-02 to 18.3 percent in 2005-06.

The unpaid family workers by age group shows that youth make up the highest proportion of unpaid family workers although, between 2002-06 their share declined from 47 percent to around 43 percent. Following youth, adults comprise the highest proportion of unpaid family workers,

with their share rising marginally from 39.2 percent to 40.5 percent during the same period. The share of children increased among the unpaid family workers from 13.8 percent to 16.6 percent. With reference to absolute numbers, the highest number of additional jobs for unpaid family workers was generated in the adult category at 1.9 million, followed by youth at 1.54 million and children at 1 million, during the period under review.

The distribution of unpaid family workers by educational attainment shows that a substantial majority had no formal education with this proportion rising slightly between 2001-02 and 2005-06 thus further increasing 'vulnerable' employment in the country.

This was followed by unpaid family workers who have completed primary level of schooling, with their share declining with each successive level of education in both the years under observation. Out of the additional 4.38 million jobs created for unpaid family workers during 2002-06, the largest number of additional employment was created for unpaid family workers with no formal educational at 2.6 million, making up 59 percent of the additional jobs generated. This was followed by primary graduates and those with below primary schooling attainment. The break-up of unpaid family workers by hours of work reveals that in both 2001-02 and 2005-06, a very high share of them is working for 35 hours and above although this proportion declined by 4.7 percentage points from 72.6 percent in 2001-02 to 67.9 percent in 2005-06. The percentage of unpaid family workers working for less than 35 hours, on the other hand, recorded an increase of 4.6 percentage points, which is not surprising given that the majority of additional employment for unpaid family workers was generated in the agriculture sector, where the probability of being underemployed is much higher.

In case of unpaid family workers working below 35 hours a week, there was a considerable widening of the urban-rural divide due to increase in the share of rural unpaid family workers. While a higher proportion of urban unpaid family workers (44.6 percent) were found to be working between 35-48 hours in 2001-02, the position was reversed by 2005-06, with 42.8 percent of rural unpaid family workers engaged for 35-48 hours a week compared to 38.8 percent of their urban counterparts. For unpaid family workers engaged in excessive hours of work, the urban-rural gap widened substantially during 2002-06, due to both an increase in the share of urban unpaid family workers as well as a decline in the share of rural unpaid family workers.

In Pakistan the break-up of the unpaid family workers by gender shows an interesting picture, i.e., the unprecedented rise in the share of unpaid family workers among the employed between 2001-02 and 2005-06 has been driven mainly by an increase in the number of females employed as unpaid family workers. During the period 2002-06, the proportion of females among unpaid family workers increased by 10 percentage points from 33 percent in 2001-02 to 43 percent by 2005-06. In absolute numbers, an additional 2.7 million females entered the workforce as unpaid family workers as compared to 1.7 million males, making up over 60 percent of the additional employment. Tentative conjecture for this addition of females into the ranks of unpaid workers can be due to better and in depth coverage and enumeration of female contribution to household labour supply.

The gender desegregation of hours of work shows that during 2002-06, the highest proportion of female unpaid family workers were working below 35 hours a week, although this proportion went down by nearly 3 percentage points during this period. On the other hand, the share of female unpaid family workers working between 35-48 hours increased from 38.6 percent in 2001-02 to 42.4 percent in 2005-06, while the proportion engaged in excessive hours of work declined slightly from 10 percent to 8.5 percent during 2002-06. In comparison, a much higher proportion of their male counterparts were working for 49 hours and above each week – 41.4 percent in 2001-02 and 38.5 percent in 2005-06.

One-third to two-fifths of Unpaid Family Women are females, while a similar proportion fall in the age bracket of 15-24 years. Forty percent of Unpaid Family Women are more than 25 years old. Nearly 60 percent of Unpaid Family Women have no formal education and another 20-22 percent possess primary and below education.

The youth (15-24 year olds) participation in unpaid family women workers declined from 47 to 43 percent while use of children (10-14 year old) as unpaid family workers increased from 13.8 to 16.9 percent during 2002-06.

As per Housing Economics and Demographic (HED) survey conducted in 1973 by the Population Census Organization, Government of Pakistan there were 11.11 percent female unpaid family workers, 5.8 percent in urban whereas a little percentage of 1.17 in rural area. According to 1981-Population and Housing Census, female unpaid family workers declined to 6.5 percent in Pakistan, remained almost same at 5.4 percent in urban areas whereas it improved to 6.6 percent in rural areas. As per 1998-Population and Housing Census, the percentage of 5.9 of female unpaid family worker in Pakistan remained comparable with 1981-Census, it became double i.e., 13.7 percent in urban areas whereas it increased more than five times to 34.0 percent in 1998-Census as compared to 1981-Census in rural areas.

References:-

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