

Pakistan



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What's happening

36%

Population below international poverty line

variable

National minimum wage

€111

per month

Rural living wage

€130

per month

Urban living wage

€269

per month

Rural living income

37%

Agricultural workforce

22%

Agriculture share of GDP

5

very high

Risk to workers' rights

Context

Pakistan has a population of approximately 221 million people,^[1] with 63% of its citizens living in rural areas^[2] and the remaining 37% in urban centers.^[3] Agriculture employs 37% of the working population^[4] and accounts for 23% of the country's GDP.^[5]

Despite Pakistan's high levels of agricultural production, the country is still burdened with high levels of food insecurity.^[6] Small scale farmers face many challenges, including significantly small holdings, limited access to markets, credit and resources, as well as minimal off-farm employment opportunities.^[7] In addition, high agricultural production has put pressure on the country's water resources, with roughly 90% of water resources used by the agricultural sector. Natural disasters such as floods, earthquakes, landslides and droughts are also a recurring problem in the country.^[6]

Pakistan's top produced commodities are sugar cane, buffalo milk, wheat, cow milk and maize.^[8] In terms of export quantity, the top commodities are rice, tangerines, dry onions and potatoes.^[9]

Wages

Minimum Wage

The minimum wage in Pakistan varies by province, hence the minimum wage for unskilled workers ranges from 17,500 Pakistani rupees (89 EUR) per month to 25,000 Pakistani rupees (127 EUR) per month.^[10] Although the minimum wage is higher than the World Bank estimate for poverty level income, it does not apply to workers in the agricultural sector, informal sector or domestic workers. The same goes for other benefits required for formally employed workers, such as the legal 48-hour workweek, overtime pay, annual and sick leave, health care, education for workers' children, social security or old-age benefits. The specificity of labor laws and the lack of enforcement result in employers failing to comply with acceptable working conditions, working hours and wages. Thus, the types of workers mentioned above are extremely vulnerable to exploitation and have little access to labor courts to seek redress for grievances.^[11]

The **Global Living Wage Coalition** has developed 2 regional Living Wage Benchmarks based on the Anker methodology for rural and urban Sialkot, in Pakistan, and 1 Living Income Benchmark for rural Khyber Pakhtunkhwa.

Living Wage

The living wage for rural Sialkot, Pakistan is 21,890 Pakistani rupees (111 EUR) per month. This estimate is based on a family of 5.5 with 1.65 full-time workers working in rural sports-ball manufacturing areas.^[12] The living wage benchmark for urban Sialkot, Pakistan is 25,806 Pakistani rupees (130 EUR) per month and is based on a family of 5 with 1.53 full-time workers working in urban sports-ball manufacturing areas.^[13] Sialkot is one of the largest manufacturing centers in Pakistan, specifically in sports-ball manufacturing, hence these **2 benchmarks** are focused on sports-ball manufacturing workers.

According to the original 2015 living wage benchmark study the estimated living wages are much higher than the prevailing average wage in the sports ball industry in Sialkot. In the case of rural Sialkot, the estimated living wage was more than twice the prevailing average wage in rural Sialkot.^[14]

Similarly, the 2 estimated living wage benchmarks are above the minimum wage of 20,000 Pakistani rupees (102 EUR) set for unskilled workers in Punjabi province, where Sialkot district is located.

Living Income

The estimated living income in rural Khyber Pakhtunkhwa for a family of 6 with 1.48 workers is 52,771 Pakistani Rupee (269 EUR) per month. The focus of this study is on tobacco farmers, as Pakistan is the one of the largest producers of tobacco in the world. Tobacco is mainly grown in the Khyber Pakhtunkhwa province, and the study was conducted in the Charsadda, Mardan and Swabi districts. A living wage for the region was also estimated at 35,831 Pakistani Rupee (181 EUR) per month.^[15]

The living income is 94% higher than the family income at the national poverty line and 104% higher than the family income at Khyber Pakhtunkhwa's minimum wage.

What's happening

RESOURCE

[Living Income Benchmark, rural Pakistan](#)

Living income estimates, including living wage estimates, that workers in rural Khyber Pakhtunkhwa (KP), Pakistan need to receive each month to afford a basic but decent living.

RESOURCE

[Living Wage Benchmark, Rural and Urban Pakistan](#)

Living wage estimates for workers to be able to afford a basic but decent living standard in rural and urban Sialkot, Pakistan.

RESOURCE

[Wages in Context in the Garment](#)

RESOURCE

[Clean Clothes Campaign-Pakistan](#)

Industry in Asia [↗](#)

This report focuses on the minimum and living wages concerning the garment industry in Asia, presenting an overview of 9 countries.

Country Report [↗](#)

This report by the Clean Clothes Campaign, dives into the labor conditions of the garment industry in the Pakistani context.

Footnotes

1. World Bank. (2020). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=PK>
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4. World Bank (2019). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=PK>
5. World Bank (2020). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=PK>
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10. Wage Indicator Foundation (2021). Minimum Wage-Pakistan. <https://wageindicator.org/salary/minimum-wage/pakistan>
11. U.S. Department of State. 2020 Country Reports on Human Rights Practices: Pakistan. <https://www.state.gov/reports/2020-country-reports-on-human-rights-practices/pakistan/>
12. Global Living Wage Coalition (2019). Living Wage Update, December 2019 - Sialkot , Pakistan: Rural Sports-Ball Manufacturing Area. https://www.globallivingwage.org/wp-content/uploads/2018/05/Update-Report_Rural-Sialkot-Pakistan_2019.pdf
13. Global Living Wage Coalition (2019). Living Wage Update, December 2019- Sialkot, Pakistan: Urban Sports-Ball Manufacturing Area. https://www.globallivingwage.org/wp-content/uploads/2018/05/Update-Report_Urban-Sialkot-Pakistan_2019.pdf
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15. Global Living Wage Coalition (2021). Living Income Benchmark, December 2021 - Rural Pakistan: Charsadda, Mardan, and Swabi districts in Khyber Pakhtunkhwa (KP), Pakistan. <https://www.globallivingwage.org/wp-content/uploads/2021/12/Rural-Pakistan-LI-Benchmark.pdf>