

UN-EMPLOYMENT IN PAKISTAN

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ABSTRACT

The research article titled "Un-Employment in Pakistan" shows the problems of un-employment in Pakistan.¹ We intend to study its many problems under various sectors. In this article we have given some suggestions to solve the un-employment problems.

INTRODUCTION

When the factors of production are not used or those people who are not used for any type of services that condition is called un-employment.

There are following kinds of un-employment:

1. Structural un-employment.
2. Seasonal un-employment.
3. Frictional un-employment.

The above three types of un-employment shows in every type of sectors, i.e. public sectors or private sectors of agriculture, industries and services. The over age un-employment rate in industrial countries has fallen from a peak of 9% in 1983 to around 7% now. But while S.U. jobless rate has almost halved to 5.5%. Europe's average is till above 10%.² Despite that wages are accelerating in several European countries. The reason is that U.S. un-employ-

ment benefits are less generous and harder to get.³ As per 1981 census, 27.6% of the total population and 40.2% of population over 10 years, is in the labour force.⁴ Around 10% of the labour force is currently working abroad.⁵ Even though un-employment in industrial countries, taken as a group has remained higher in 1988 than during earlier period recent buoyancy of economic activity has caused labour markets to lighten significantly in a number of countries.⁶

Agriculture provides employment for 7 months in a year in Pakistan with a result that the people engaged in the agriculture activities are idle for five months in a year. They therefore suffer from disguised un-employment and as such their income is low and poverty is their common feature.⁷

Creation of more jobs in the existing public sector institutions beyond their capacity to absorb more labour force is not a very appropriate solution to the problem of un-employment it would lead to more demand for goods and services without bringing any increase in their supply thus fueling inflation. This has happened with the hope remittances of emigrants prices of land and building material short up particularly in the rural area. The best way to meet the challenge of un-employment is rather to assist in self employment of under employed as well as un-employed once industries create employment opportunities and absorb the idle population. The income of the people increases, consumption level rises and as such production is stimulated.⁸ In West Germany where 7.1 million people were working in July, up 89000 or 1% from June 1988 level because of economic

surge, hundreds of ethnic German immigrants are coming each day from East Germany and Romania through Hungary.⁹

Despite the significant growth rates experienced by the agricultural sector in the last decade, it has been generally assessed by experts that the potentiality of the agricultural sector in Pakistan is not realised to its full extent. Even a judicious application of the existing input base could result in greater productivity of the agricultural sector. Increased agricultural production could thus also add to further increase in our total foreign exchange earnings. Industries will attract the surplus labour force from rural areas and burden on land will be reduced and as such, on one hand they will increase the employment level of the country agricultural output and eliminate the wastage labour in the country.¹⁰

Industries will also help the economy by eliminating the problem of disguised un-employment in the rural sector by providing employment opportunities in small and cottage industries.¹¹

Table.1

SHOWING AVAILABILITY OF TOTAL RURAL LABOUR
FOREIGN IN PAKISTAN

(In thousand)

	Pakistan			Rural		
	Total	Male	Female	Total	Male	Female
Total population	62462	33393	29068	45882	24375	21507
One year to 9 years age	19544	10042	9502	14617	7501	7116
10 years & above	42918	23352	19566	31265	16874	14339
Total labour force						
Percentage (%)		54.4	45.60	72.85	53.97	46.03

SOURCE: i) Pakistan Economic Survey, 1981-82. Figures worked out from Pakistan Population Census 1972.

ii) Pakistan Agriculture, Karachi, May-June, 1983, p.46.

Table - 2

SHOWING DISTRIBUTION OF RURAL LABOUR FORCE
ENGAGED IN AGRICULTURE IN PAKISTAN

Type of labour		(In thousand)
		TOTAL
Owner farmers		1569
Owner cum Tenants		897
Tenants		1812
Farm Household (Including livestock holders 10 years and above)		
FUL TIME		
Male	7499	10.072
Female	2573	
PART TIME		
Male	630	2.350
Female	12720	
OCCASIONAL		
Male	237	432
Female	195	
TOTAL		18.428

SOURCE:

1. Pakistan Census of Agriculture - 1972.
2. Pakistan Agriculture, Karachi, May-June 1983, p.46.

In Pakistan the rate of un-employment is 4% but this relates only to open un-employment. Agriculture

accounts for around 52% of this labour force. Poverty, Self-employment, open un-employment and under employment, specially in rural sector are among the major socio-economic problems that Pakistan faces today. The problems are compounded further by high rate of population growth and lack of productive employment especially for educated and skilled labour for rural areas. Pakistan's population has been growing at the rate of 3.10% per annum. One of the useful methods to overcome this grave situation is to increase employment in areas of low employment and higher level of poverty, in fact in our rural areas the employment opportunities are restricted to agriculture and other allied activities.¹²

Self employment in Pakistan has received recognition very recently. So far researchers, scholars and management consultants have been lying emphasis on the problems of open employment and under employment.¹³

Thus any plan for industrialization which does not take care of agriculture in Pakistan would enhance rather than reduce our dependence on others.¹⁴

New strategy based on agro-project cum off farm income generation activities on small scale providing supplementary sources of income by ADBP would provide jobs to a large rural labour force.¹⁵ Un-employment problems of urban and the rural sector are of course inter related. However, in a Pakistan the un-employment problem is more massive and this needs urgent attention.

Following steps are essential to provide the em-

ployment:-

1. The developing countries like Pakistan mainly depend upon agricultural production which can be increased by the use of technology. The main task is to pass on appropriate technology effectively to farmers.

2. While emphasizing the utilization of agricultural and industrial wastes and by products for stabilization of the national economy, we should take all the precautionary and imperative steps to establish the subsidiary industries and to form a new era of resources. Recycling and utilization of wastes and by products can provide an effective boost to the economy.

3. Educational programmes and training will enable to farmers and labours to understand and evaluate new ideas and motivates them adoption.

4. Farm employment pressure on land, farm mechanisation, higher dependency, level of education overseas emigration and migration to urban areas are the factors which have direct bearing on the economy.¹⁶

CONSLCLUSION AND SUGGESTIONS

Small scale industries, in general and those based upon the utilization of industrial wastes and by-products, in particular, have low capital out-put ratio and low capital labour ratio. As such, these would help augment production and employment at lower cost.

An important aspect of the development of agro, industries is the creation of employment opportuni-

ties in rural areas. It will raise the level of income in rural masses.

To solve the un-employment problems either in urban areas or in the rural sectors, some measures i.e. educational programmes, modern technology and credit facilities would be taken by government or private sectors. Besides this, to provide employment opportunities to the educated un-employed, it is necessary that opportunities for self employment be provided.

FOOT NOTES AND BIBLIOGRAPHY

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