
**MINIMUM WAGES' NONCOMPLIANCE PROBLEM IN PAKISTAN:
A CASE STUDY OF HYDERABAD INDUSTRIAL SECTOR**

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ABSTRACT

Minimum wage is a most debated topic since some decades at academic and political levels but so far very diminutive consideration has been devoted to verifying and considering the minimum wages policy implementation and compliance subject. Even though Pakistan has adopted the policy of Minimum wage fixing and continued setting and enforcing minimum wages to protect vulnerable employees of industrial sector, the non-compliance remains an issue. Compliance is done through implementation, and it is the process of placing a rule into practice through rule creation, the setting up of institutions, and after that rule enforcement. Through qualitative approach following interviews from Hyderabad industrial sector and analysis of documents, it is revealed that compliance of minimum wage is not in practice as a binding wage floor in Pakistan. Most of the informal works are facing underpayment of wages. Many factors contribute in the violence of minimum wages in industrial sector of Pakistan which are lack of data, defective measure in fixing minimum wages; deficient capacity of implementation and the lack of unions. The need of the time is efforts and commitment which results in capacity building, adoption of combined enforcement approaches for fair labour practices. A research should be funded for Pakistan database for minimum wage statistics by the government of Pakistan.

Keywords: Industrial Sector, Labour Directorate, Minimum Wage, Noncompliance

INTRODUCTION

The implementation of minimum wages prescribed by the government as rule of law remains a problematic issue that needs continued debate in Pakistan same as in other developing countries (ILO, 2020-21). All those workers who earned very low wages due to their poor skills or no skills and no protection in industrial sectors now protected through the law of minimum wages as employers bound by the law (ITUC, 2018). The International Labour Organization plays its

role and provides needed directions and support to member countries for improving the situations of vulnerability of workers (ILO, 2018).

Minimum wages are the hope for low wage earners on the basis of protection of their income and purchasing power in this condition that minimum wages are increased and adjusted on regular basis by keeping in mind the increase in prices of essential goods and services. For minimum wage setting, there is a need of handy modification machinery that considers prevailing circumstances, requirements of low wage earners and economic dynamics to adjust adequately the minimum wage to hook up with rising prices (ILO, 2020). Global wage report 2023 found negative growth in real wages in the presence of positive real productivity growth which is the first experience of this century. This decline of real wage growth affected the all wage earners and a great despondent for low wage earners because the prices of necessities of life or essential item grew faster as compared to non-essential items in most of the world.

For achieving the proper implementation of minimum wages there are some school of thoughts based on ‘persuasive and deterrence approach models’. The ‘persuasive model’ implies that the employer and employees built understanding of importance of minimum wages for the betterment of vulnerable lives of workers (Pires, 2008), (ILO, 2015). One another approach which is deterrence approach implies that better compliance of minimum wages can be achieved through proper labour inspection process. In the presence of noncompliance heavy penalties should be given which results in compliance (Belsler & Sobek, 2012). This study focused on the combination approach for Hyderabad industrial sector’s minimum wage laws and order situation.

This research paper is a qualitative research which discusses the noncompliance issue of minimum wages with respect to unskilled workers in industrial sector of Hyderabad with some implementable compliance strategy suggestions in the way of addressing the problems behind the noncompliance of statutory minimum wages for the vulnerable workers of industrial sector of Hyderabad as a case study from Pakistan. The data collected from side to side interviews with selected labour demonstrating authorities concerned with the industrial sector labour, on the wages. Discussion and interpretation are the tools for data analysis. Literature review is based on Pakistan minimum wages situation. The methodology section present method of the study

than results section is presented based on the status and suggested approaches to be followed by labour concerned authorities in order to address non-compliance problem within the industrial sector of Hyderabad. In the last recommendations based on study findings has been presented.

INTERNATIONAL LABOUR ORGANIZATION INQUISITIVENESS FOR MINIMUM WAGES

The first Global Wage Report, 2008-09 opened the door for more research and analysis in all over the world for solid and revolutionary measures for policy making and its implications in the economies. The ILO discussed minimum wages in the context that it is having much significance and play vital role that's why almost ninety percent (90%) world enforced it (ILO, 2010).

Pakistan has adopted the policy of Minimum wage fixing and continued setting and enforcing various rates of minimum wages to protect vulnerable employees from being subjected to low wages in industrial workplaces. The enforcement of, and compliance with, the set minimum wage are, however, not efficiently done and that is why non-compliance still a problem that requests persistent consideration in Pakistan. Pakistan's workforce is the ninth largest worldwide but unfortunately most of the workers are connected with informal sector. The informal sector is roughly contributing between 25 to 40 percent of the Gross Domestic Product. Since two decades minimum wages are set by the federal and provincial governments but they have failed to implement the minimum wages due to bad governance, corruption and increasing inflation. This all situation results in causing sufferings for the poor and they are still in bad conditions financially (Waqas Shabbir, 2016).

MINIMUM WAGES COMPLIANCE ISSUE

Although minimum wage is a most debated topic recently at academic and political levels but so far very diminutive consideration has been devoted to verifying and considering the minimum wages policy implementation and compliance subject (ILO, 2017). Although the levels of minimum wage violation are different from industry to industry, type of job, and behavior of entrepreneurs however, minimum wage violations is all over is linked with labour supply.

Wherever labour supply is adequate employers have freedom to spoil labour as workers are pressurized to work on low wages due to extra supply of workers in the market (Fine, Galvin, Round and Shepherd, 2021). Some strategies for effective implementation system are persuasion will build public support for minimum wages by which employers voluntarily comply with minimum wage, with this capacity building through information sessions and training seminars, the monitoring system which allow the deductions regarding compliances, inspections to know about the labour laws followed or not, procedures should be made more available and harmless to workers and their representatives, empowerment of workers in awareness of wage rights and finally the sanctions which will be actual deterrent to noncompliance (ILO, 2017).

Mansoor (2021) found that minimum wages adoption for the protection of low wage earners an improving their life standard is positively growing as a policy tool in developing countries. They determined that only enforcement is not enough for improving the scenario of low wage, implementation is the necessary for achieving the goal.

INSPECTION SYSTEM FOR POLICY IMPLEMENTATION

Most of the developing countries lack proper inspection system. They have very few inspectors as compared to labour. A very high work load per inspector labour is present. An extreme example of this is supplied by the case of Pakistan, where in 2003 the province of Punjab banned labour inspections, following demands by employers and factory owners, in order, allegedly, to avoid harassment and demands for bribes by labour inspectors. Three years later, the adoption of 'one inspector - one policy', which allocated to one single inspector all areas of inspection of a given company, negatively affected the efficacy of the inspections, due to the higher demands placed on the inspectors in terms of expertise across different areas of labour, from wages to health and safety, from child labour to social security, increasing also opportunities for corruption (ILO, 2015). In Pakistan the inspection resources are scarce which revealed that those firms which are in higher rates of tax evasion sectors and have a large share of low skilled workers inspected rarely. Those sectors firms have higher tendency of non-compliance (Almeida and Ronconi, 2012).

The lack of a country's labour inspection resources can be controlled through a mechanism that provide further off set supremacies to non-compliant employers. The best example of such a mechanism is trade unions with clear tasks and pronounced presence to monitor employer compliance with minimum wage rules and all other rights (Grimshaw, 2016). It is a fact that in developing countries those firms which have unions, inspected frequently (Almeida and Ronconi, 2012). It is a misfortune that most of the developing countries have unions in firms but they are week and very low affiliation rates persist (Thomas, 1999). In Pakistan the estimated affiliation rates of unions are approximately three percent (ILO, 2015).

PROBLEM STATEMENT

Pakistan federal government taking actions towards maintaining a price floor for industrial sector workers, and in this regard the government fixes minimum wages almost annually. ILO is providing technical support on national and provincial level to align all the labour legislation according to International Labour Standards for the endurance of the application of these standards at the national level. Pakistani exports now have duty-free access to European markets as GSP-plus facility is awarded; it was contingent upon the successful application of and reporting on 27 UN Conventions, including eight ILO Conventions. Pakistan has not ratified MW fixing Convention No. 131, but it is following the international rules. Previously the weakness of minimum wage legislation in Pakistan was due to the overlapping and limited coverage of laws but now with the collaboration of ILO the task is assigned to all provincial governments to make their own labour laws or do amendments in present laws for making them simple coherent and up-to-date. In the above mention scenario minimum wages which are set for industrial sector vulnerable workers to protect their basic needs, compliance and implementation should be checked thoroughly and properly. This paper is an attempt to check the minimum wage implication and compliance with minimum wages in industrial sector of Hyderabad.

RESEARCH METHODOLOGY

For the purpose of finding the issues in implementation, along with secondary sources a survey of industrial sector of Hyderabad with

the aim of observation and interviews of concerned authorities and labour planned. The approach was research on qualitative basis aimed to flare up debate and talk over the Pakistan's minimum wage compliance status. This work has dug out the problems of implementation of minimum wages as well as other labour laws and suggests some adoptable operational tractability approaches for implementation in order to report the problem of non-compliance with minimum wage rate for the security and assistance of susceptible employees employed and working in the industrial sector. A qualitative research plan is consequently required for detailed investigation (Creswell, 2011 & 2007) of such issues. It is mandatory in the qualitative research, to collect data, from numerous sources, from end to end examination of documents or interviewing participants (Creswell 2011, 2007) (Hesse-Biber & Leavy, 2006), (Berg, 2001), (Mhango, 2012). The research is based on primary and secondary data sources. For the collection of primary data through interviews, Hyderabad district industrial sector has been selected due to its rich industrial zone and also for convenient research strategy purpose. For the secondary data sources, data collected from the research papers, government reports and ILO publications. The interview based method is used for this study as it was necessary to talk with the concerned labour, employers and officers associated with labour issues to have a better sketch of the situation prevailing in the industrial sector regarding the non-compliance issue. The participants are selected purposefully because in qualitative research purposefully selected participants are crucial for understanding the research problem and question (Creswell, 2007). The primary data collected through face-to-face personal interviews and focus group interviews using unstructured open-ended questionnaires. In terms of size of study respondents, a total of 36 respondents were interviewed as discussed above according to availability and convenience. The choice of small number of respondents was consistent with the need to conduct detailed interviews suitable for qualitative research (Creswell, 2011, 2007) (Hesse-Biber & Leavy, 2006), (Mhango, 2012). To scrutinizing the reasons of non-implementation of minimum wages and labour laws in industrial sector of Hyderabad, various circles of connected to the sector were interviewed which are Labour Directorate with Assistant Director Inspection, Labour Officers of Industrial

Inspection Labour, some of the clerical staff; Commissioner workers compensation; Assistant Director Social Welfare Board; Sindh Employees Social Security Institution Regional Director, Deputy Director, Inspector and Recovery Officer; Employees Old Age Benefits Hyderabad Region's two Deputy Directors, two Assistant Directors and two clerical staff; Chief Medical Officer of social security hospital site area Hyderabad; RMO Social Security hospital near Odean Cinema Hyderabad; Principal model School labour site area Hyderabad; Employment Exchange Hyderabad and Deputy Director Industries Hyderabad. Also visited well-known factories of Hyderabad site area where I interviewed with directors of the factories, some officers of management as well as 20 workers. The interview pattern was unstructured questionnaire which covered first of all working compensation, social security benefits and labour rights given, secondly the reasons and factors involved in nonpayment of statutory minimum wages and other lawful benefits and at last dynamics that would set up as future plans to address the issue of non-compliance with minimum wages by government. The Qualitative data collected i.e. factors, opinions and/or views, statements of reasons and of explanations were organized and grouped into themes from which interpretation was done by the researcher through text analysis. Tables were used to summarize quantitative data included in this study to support qualitatively discussed findings.

RESULTS

Progress of Minimum Wages in Pakistan: Since 2010, after devolution of 'Labour' as federal subject, minimum wages are set by provinces according to these laws:

1. The Minimum Wages Ordinance, 1961 (applicable in ICT and Baluchistan).
2. Pakistan Minimum Wages for Unskilled Workers Ordinance, 1969 (no longer in use after the 18th Amendment).
3. The Minimum Wages Ordinance, 1961 (adapted in Punjab by 2012 Amendment Act).
4. The Khyber Pakhtunkhwa Minimum Wages Act, 2013.
5. Sindh Minimum Wages Act, 2015.

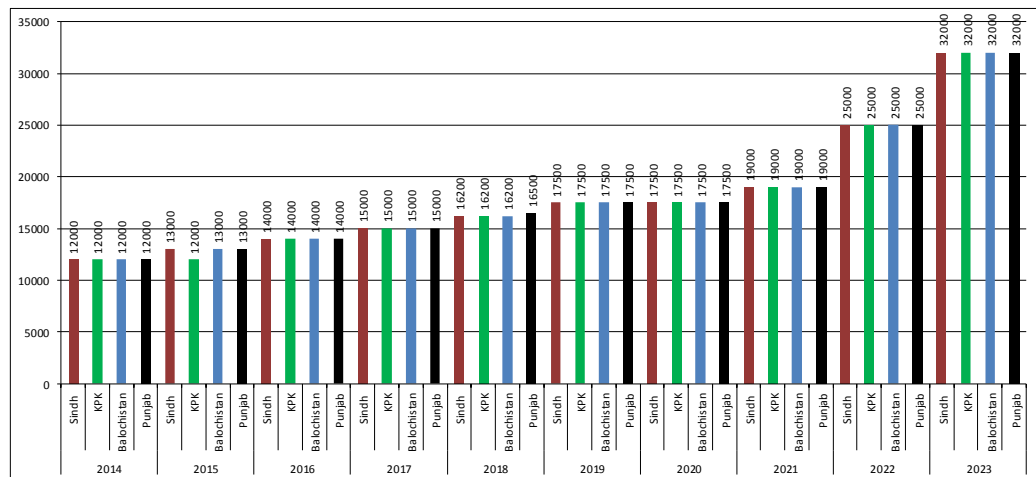
After this amendment of 2010, the minimum wages for unskilled and juvenile workers are set by provincial governments on yearly basis as under:

TABLE 5.1
INCREASE IN MINIMUM WAGES YEAR BY YEAR SINCE 2010 TO 2019

Year	Wage per month (PKR) per month	Single National Minimum Wage for unskilled workers/ Provincial Minimum Wage for unskilled workers (after Devolution of Labour in 2010)
2014	12000	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan: 12,000
2015	13000	Punjab, Sindh, Baluchistan: 13,000 (Khyber Pakhtunkhwa:12,000)
2016	14000	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan: 14,000
2017	15000	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan: 15,000
2018	16200/ 16500	Punjab(16500), Sindh, Khyber Pakhtunkhwa, Baluchistan: 16,200
2019	17500	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan
2020	17500	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan
2021	19000	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan
2022	25000	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan
2023	32000	Punjab, Sindh, Khyber Pakhtunkhwa, Baluchistan

Source: www.paycheck.pk

**FIGURE-5.1
INCREASE IN MINIMUM WAGE RATE PKR**



SOURCE: www.paycheck.pk

The fact is that almost 1/4th of the all wage earners were earning less than government prescribed minimum wages and the ratio of regular wage workers was fourteen percentage points due to the implementation issues. The period of 1997 to 2001 wage distribution was not proper according to the review of labour force survey and result shows that 29.4 percent of the workers earned a smaller amount than the minimum wage in the year 2001-2002. Further increments in the wages like in 2003 wages were increased to Rs.3000 and in 2004 it was Rs.4000. Although minimum wages increased, but the labour force survey 2005-2006 data shows 49 percent of workers' wages were lower than settled minimum wage. In 2008-2009 fiscal year minimum wages announced Rs.6000 which barely able to fight with the inflationary boost of 2007 period and low wage workers were not getting the benefits of it.

In 2009-2010 minimum wages increased from Rs.6000 to Rs.7000 which were not further revised in 2011 period in 2010 18th amendment, labour laws were granted to provincial governments, so after that in 2010 KPK, Sindh and Baluchistan provinces announced minimum wages 7000 but Punjab government put it on a higher level of Rs.8000. With minimum wages implementations all provinces

started to make changes in previously existing laws of labour and also constituting new laws. After granting labour laws rights to the provinces, federal government still announced minimum wages in its budgetary policy due to the bound of international obligations which were to follow. In 2012 minimum wage was Rs.8000 in 2013 it fixed on Rs.10,000 and in 2014 it was 12,000, than by gradually increasing in 2019 it was 17500 and now in 2024 it is set by the federal government on the level of Rs.32000.

Compliance of Minimum Wages in Industrial Sector:

Although minimum wages set in 2001 Rs1500, was not enough to maintain living standard of low wage workers but it influenced the existing wage level trends of the industrial sector. The labour force survey data is not providing any information regarding minimum wages legislations which makes it difficult to assist the impact of minimum wage on the wages. Some individual establishments work on collecting data but not a proper data source, even has developed in Pakistan.

The monetary wellbeing of the people of a state or country can be measurable through average household income. Specifically the worthy indicators of living standards are count, mean or median net household incomes. Obligatory contributions and taxes have secondary value. Since they comprise disposable earnings and recognize individual's allotment for housing benefit from sharing their living expenses.

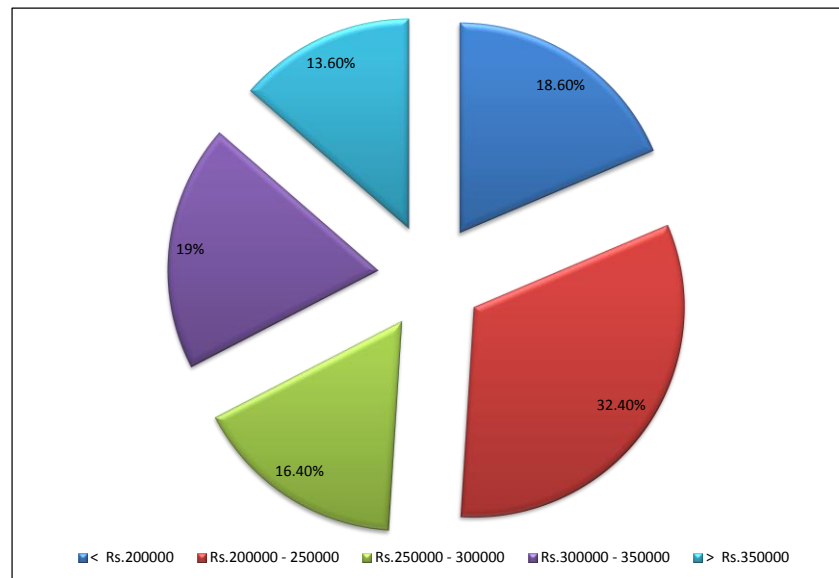
For checking the total number of people who were ancillary themselves through minimum wages found three fourth of total minimum-wage workers such as teenagers and younger's who were living with their parents and also those who have higher-earning wives/husbands.

One more method to find out the same thing is consideration of family income. A student who is earning money by doing part time work in any local restaurant, and his income is equal to the federal minimum of Rs.17,500 per month, but may be possible his/her parents earned by running well known profit earning companies. So, it is the family income which can be described that how many minimum-wage earners are youngsters, working after school and how many are adults, responsible to sustenance a family.

A person who is working full time and earn the federal minimum wage, his/her earning will be about Rs.210,000 per year. Merely almost a fifth of all those who make minimum wage earned a smaller amount of that in 2019, as survey data revealed. On the other hand around fifty percent of low wage workers had less than Rs.250,000 family incomes and nearly seventy percent had earnings below Rs.350,000, which is approximately the national median income.

Many individuals who earned minimum wages also have some other sources of income. The survey data included all cash income within its social security, unemployment benefits and child support payments but non cash incomes are excluded.

FIGURE 5.2
MINIMUM-WAGE WORKERS BY HOUSEHOLD INCOME



SOURCE: Survey Data, 2019.

The followers of minimum wage policy claim that the minimum wage is helpful in reducing suffering for families in poverty. But study results show little association of minimum wages in reduction of poverty.

Pakistan's Hyderabad industrial sector survey data shows average family size is 6.7 people per family (Survey, 2019). As Pakistan's per family earners size is 1.5. The family size of Pakistan and average earners can translate as monthly Rs18,000 income which means total Rs.13500 per person per month. The survey report indicate that 60 percent of workers earnings are less than Rs.15,000 per month, approximately 20 percent workers earn up to Rs8, 000 per month and 40 percent earn between Rs.8,000-15,000. There are only 20 percent employees whom earnings are more than Rs.17,000 per month. The total labour forces which earn wages in Pakistan is only 38.8 percent, while 60 percent are either contributing family members or they are own-account workers. Gender disparity is also present, according to the Survey, a woman manager earns total 90 percent of the man manager wage; a woman clerical support employee earn 72 percent of the earning of clerical supporter man wage and a woman with elementary occupation earns only 48 percent of the man wage.

A Glance on Hurdles in Implementation of Labour Legislation, Labour Policies and Related Rules & Regulations: It is necessary to mention the hurdles in implementation of labour legislation, labour policies and related rules and regulations adopted by government of Pakistan. Although the labour legislation, labour policies, and related rules and regulations are sufficient and fulfills the requirements of ILO as well as other international labour forms, but it is the matter of great concern that there are a lot of hindrance which basically causes in activeness in implementation of policies in letter and sprite. Pakistan is an over populated country and growth rate of population is on very high side as compared to the developed and most of under developed countries. It created increase in the volume of supply in labour field. It was basically an agricultural country and 95 percent of its workforce was engaged to that occupation, but since last 70 years it slowly converted and sinking towards industrial sector. Resultantly workforce in the market increases manifold. It causes unemployment growth in the country. Due to inordinate differences between demand and supply of workers, generally the workers are compelled to accept low wages to earn something for them and their dependents to pass their livelihood. It is the matter of fact that at various work places workers are being paid low wages and workers

are compelled to accept even less than 50 percent of the prescribed minimum wages of the government.

Corrupt bureaucracy in the country and most corrupt elements in the capitalist are the most important aspects for inactiveness in implementation of policies in letter and spirit. Due to these corrupt elements workers are suffering from their rights such as lack of implementation of minimum wages prescribed by the government; Ban in trade union activities as most of industrial units have no trade union and bargaining agents; however for the existence of trade unions most of industrial units adopted the tactics of framing a pocket union system. This is only work for gaining the sympathies of their owners. They do not work for the rights of workers. In most of the industrial units workers are paid wages at the defined rates, but they are not paid other facilities such as most industrial units issue appointment letters explain terms and condition of appointment to its workers, minimum wages as rates prescribed by the government, overtime allowances, leave of any kind, payment of salary in lieu of not availed annual leave, payments of bonuses as per prescribed by rules as well as bonus beyond targeted production, payment of five percent profit earned by owner annually, medical facilities, accidental death or injuries facilities, canteen facilities, annual increment (mostly the used to grant annual increment in the month of July each year, when government increases rates of minimum wages. they ensure workers that they are being paid annual increment on the other hand they say to the inspecting officers of labour directorate that increase in minimum wage have been implemented, education facilities to the dependent children of workers, owners provided housing and pick and drop facilities on conveyance, or payment of house rent and conveyance allowance in case of non-provision of the same, provision of facilities of fair price shops, registration of workers with 'Social Security Institution', 'Employees Old Age Benefits Institution', 'Education Cess, Workers Welfare Board', recreation and promotion facilities, employment of sons/daughters of workers on Employees quota, pensioners benefits at old age, workers are compelled to work beyond prescribed 8 hours duty timings with a break of one hour for lunch, facilities to knock the doors of law for availing rights of workers.

CONCLUSION

Though the labour legislation, labour polices and related rules and regulation adopted by the government of Pakistan as well as Provincial Government for reduction of poverty among workers are sufficient. Also to implement these rule and regulations as a series of department exist, but results of the study shows that they are deskbound. Resultantly most of workers are sinking towards the deepest line of poverty.

According to the law, minimum wage of each industrial unit should be separate depending upon the earning which depend upon the nature of production and selling price of these products of that industrial unit, and share and risk of the labour force in that earning. But generally Federal government announce the minimum wage rates for unskilled and illiterate workers in their annual budget whereas the industrial concerns adopts the same as minimum wage for all (skilled, unskilled, literate, illiterate, juvenile workers).

Labour legislation provide that all political parties in the country should penetrate in the trade and bargaining agents union of each and every industrial unit of the country to find out the problems faced by employers as well as employees, and represent their grievances at proper platform. It will accelerate the growth of the economy process in the country. Resultantly most of political parties have their labour wing at district, division, and provincial level. But they all are in active, they only collect some ransom from the employers, they forced workers to keep silent and work for the betterment of employers, not cry for their rights.

Distribution of wealth among all the factors of production is required to be made in accordance to the proportionate contribution of these factors cording to provision of actual performance. But normally huge share of the wealth is distributed as per will and wish of owners/management among the land (rent), capital (interest) and organization (profit), usually a little part of wealth is kept for labour in shape of wages which is injustice and resultantly very meager amount remains for labour. It is not only financial injustice but also social injustice, which is uplifting rate of poverty in the country. Although sufficient labour policies, legislation, laws, rules and regulations relating to the rights of labour are available in the country, but due to corrupt society, these are not implemented and letter and sprite. Mostly

trade unions/bargaining agents have not been permitted in various organizations, some of it has the same but these are pocket unions at the will and wish of owners. The system is enforced only for safe guarding the interest of capitalist because they have powers and who developed their influence on local administration, political circles, law and order enforcing agencies by creating corrupt tactics and paying ransoms. It is developing the situation that rich is becoming richest and poor is going to become poorest.

SUGGESTIONS

For minimum wage proper compliance, some measures are suggested after discussion and review of the findings of the literature and the key data researches are discussed in detailed below:

Revision of the Process of Minimum Wage Implementation Strategies: There is a need to work seriously upon some strategies, such as, through persuasion, public support can be build up for minimum wage and it can encourage employers to obey willingly. Union power can play crucial role in a way to organize workers, for defending their basic wage rights. Although Article 17 of the Constitution of Pakistan gives assurances of the freedom of association, with every ones right to form unions, subject to the law. At the federal level, the right of a worker to form or join a trade union is stipulated in section 3(a) of the Industrial Relations Act, 2012. Each worker can only belong to one trade union at any time, with earlier membership cancelled on joining another union. Workers' organizations can also join or establish federations and affiliate with international organizations and confederations. Equivalent provisions are contained in the provincial industrial relations legislation. Despite these guarantees, the rate of unionization for workers in Pakistan is low. It can be increase by supporting the unions through the government's strategies. For this reason, unions can focus most vulnerable workers of informal industrial sector; they can benefit by a great deal from union support. Likewise, unions can help their followers in case of arguments with establishments. They generally offer legitimate advice and support for making the claim. Unions have a duty to be certified to bring underpayment cases to court on behalf of workers.

Capacity Building for Workers by Enhancing and Evaluating Industrial Sector: Capacity building measures such as the government's involvement in broadening industrial sector of Pakistan is the need of the time. Investments for the enhancement of industries should be priorities in the annual budgets. New firms and industries may give chances to workers for better employment opportunities as their will be a shift of demand and supply of workers. Moreover, seminars should be organized for the purpose of awareness and also, training sessions conducted which will be helpful for both employers and workers and they will be responsive regarding their duties and rights about the minimum wage in their firms. Trainings for improving skills of the workers annually or biannually on different areas of understanding their works will be beneficial for workers in way that they will be able to accrue some more wages and for the firm in a way that, skilled-full labour means quality of work and more production with less cost.

Transparency of the Minimum Wage Implementation System: Transparency can be achieved if complete information could be available of labour that comes in the net of minimum wages. For that purpose a record concerned specifically with the minimum wage earners will be a great achievement to address the compliances. The government with the help of ILO can work for the data collection of unskilled workers employed in all formal informal industrial units.

Strong Complaint System and Access of Workers: The monitoring system has a duty to consent the detection of non-compliance. Labour inspections should be reinforced and carried out, especially in the sectors at risk; complaint procedures should be made more easy to get and harmless to workers and their representatives. The workers should have the rights of individual complaints as well as collective actions. Unions allowed gathering data regarding information of workers and their wages; they would organize the workers and can act on the workers behalf.

The complaint system should be easy and accessible for workers. If it is easy it can perform as the key element in improving compliances. Online questioner and hotlines calls for complaint are good tools.

Sure Punishment in Case of Non Compliance: In Pakistan, sanctions on non-compliance of minimum wages are structured which

could be proving real preventive to non-compliance. But the cost of sanctions is lower than the benefit which firms accrued in case of underpayments that's why it's also one of the factors of no worth of sanctions. Need of the tie is to proper application of sanctions with increasing their worth too. False records of labour should be checked with keen interest and proper check and balance strategies will work in this case. A clear cut procedure of checking and punishing which will be done on immediate basis and curtailing of the time taking in, provision of justice in Pakistan will be ready to lend a hand. The "Naming and Shaming" idea can be applied by the government bodies which are given by the "The Low Pay Commission". The British government accepted this suggestion and is now developing a policy for making enforcement more transparent (Low Pay Commission 2010:169).

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