

National Organization for Working Communities (NOWCommunities)

Employment and working conditions in the leather industry in Pakistan

Evidence from a survey among workers
in tanneries and allied leather industries
in Karachi

December 2022



Executive summary

This report aims to show the reality of employment and working conditions in the leather industry in Pakistan. It focuses on the production of leather and the manufacture of leather garments and accessories in Karachi, Sindh province, particularly on workplaces that supply international brands and retailers in Europe and North America.

NOWCommunities' concern is the labour rights and wellbeing of unskilled workers in the leather industry, a workforce that has been little studied until now. Our approach and methodology (described in Chapter 1) combined desk research, scoping field research, interviews with leather workers in selected workplaces, and key interviews with other informants. Of the four main subsectors of Pakistan's leather industry we discuss – tanneries, leather garment manufacturers, leather shoe manufacturers, and leather accessory manufacturers – we interviewed workers in the first, second, and fourth subsectors, because very little leather shoe production takes place in Karachi in Sindh province, where we undertook the research.

Research for the report took place between October 2021 and February 2022.

Concerns about job security are high among leather workers, and there was reluctance to speak with our researchers. However, in the end 156 workers at 39 leather workplaces in Karachi were willing to participate in our survey on condition of anonymity. The workplaces where we found interviewees included vertically integrated companies encompassing tanning, leather garment manufacture, and leather accessory manufacture; workplaces combining leather garment and accessory manufacture, or tanning and garment manufacture, or tanning and accessory manufacture; workplaces undertaking only leather garment or only leather accessory manufacture; and eight single-purpose tanneries.

We interviewed 26 workers from one workplace, between 10 and 14 from three others, and between 1 and 6 workers from the remainder. Our interview questionnaire mainly concerned employment and working conditions, but we also obtained information on respondents' households, education levels, and other matters.

For context, our report presents information on Pakistan's socioeconomic situation (Chapter 2). This includes the high incidence of poverty, low wages, and the struggle for decent minimum wages in Sindh; low educational levels and large numbers of children out of school; the unequal treatment of women; child labour and bonded labour; inadequate social security protection for citizens; poor workplace health and safety; and the lack of trade unionisation.

Chapter 3 describes the geographical locations where Pakistan's leather industry is concentrated, and its employment levels and share of gross domestic product (GDP) and exports. It provides further detail about three subsectors (hides and skins, leather garments, and leather footwear), occupational health and safety in the leather and garment sectors, and (briefly) impacts of Covid-19.

Chapter 4 profiles the 156 leather workers we interviewed. All were men, mainly aged 18 to 20 but some younger or considerably older. Most were Muslim Sindhis. Half were illiterate, although some had completed middle school or above. Most were married with children, often living in extended family groups. Very few had worked in any other sector than leather, and a significant number had worked in the industry for decades. Few knew about their rights under the law, labour rights, or minimum wage protections. Some were not registered with the government's

National Database and Registration Authority (NADRA), which oversees citizenship, residence, and access to social security. About two-thirds lived in homes without clean running water or other basic services.

Chapter 5 reports our findings about working conditions in the 39 investigated workplaces, where labour forces ranged from under 50 to over 700. Very few workplaces had women workers. The jobs of the men we interviewed ranged from cleaning hides to selecting and stacking final products. Interviewees had worked in the industry for lengths of time from under a year to more than 40 years. Only 26 were permanently employed; most were contracted; many had no workplace documentation. Most were paid roughly the legal minimum wage for the sector at the time of interview; some less, and a few more. Only at the one unionised workplace, a tannery, were workers paid relatively better. Six days' and at least 48 hours' work per week were standard. Overtime was common but poorly paid.

Few workplaces, apart from the unionised tannery, provided non-monetary benefits. Only a quarter of the men were registered with social security schemes. Few knew about their leave entitlements or had experienced paid or unpaid leave. There were adolescent workers in our sample, and some interviewees mentioned the presence of child labour in the tanneries where hides are cleaned and processed for the production of leather goods and at leather manufacturing workplaces.

Occupational health and safety and labour inspections were said to be poor and generally lacking, respectively, and few workplaces had followed the government's Covid-19 guidelines – again with the exception of the unionised tannery, which performed better on most counts.

Chapters 6 and 7 provide further context in terms of international labour standards and Pakistan's domestic legal framework for protecting workers, respectively. Internationally, we note the International Labour Organization's (ILO) fundamental protections and code of practice for textiles, clothing, leather, and footwear; the *UN Guiding Principles on Business and Human Rights*; the *OECD Guidelines for Multinational Enterprises*; European-level work on business and human rights standards; voluntary initiatives; and progress towards a UN treaty on business and human rights.

As to the domestic framework, we mention Pakistan's National Action Plan on Business and Human Rights; its participation in the European Union's Generalised Scheme of Preferences Plus (GSP+); constitutional provisions affecting employment and labour rights; the country's ratification of the ILO's labour standards and social security provisions; and how well Pakistan implements its labour laws – many of them enacted at provincial level. Despite progress in some areas, Pakistan has generally not to date provided sufficient protection for its unskilled workers.

Our interviews with key informants from Pakistan's labour movement raised issues that we summarise in Chapter 8, which generally corroborate our other findings. Chapter 9 presents the report's conclusions and recommendations, summarised below.

نیشنل آرگنائزیشن فار ورکنگ کمیونیٹیز

پاکستان میں، چمڑے کی صنعت میں ملازمت اور حالاتِ کار

ٹینیریز اور چمڑے سے منسلک دیگر صنعتوں کے ورکرز سے سروے کے نتائج

دسمبر ۲۰۲۲

