

# PAKISTAN

## STATUTORY AND RECORDED WAGE & MONETARY INCOME LEVELS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (PKR)
<b>Legal Minimum Wage</b>	<ul style="list-style-type: none"> <li>Legal minimum wage before July 1, 2015 was 12,000 Pakistani Rupees (PKR). It has been increased to 13,000 since then.</li> <li>FLA compensation data from Pakistan was collected before July 1, 2015, so the old legal minimum applies.</li> </ul>		<b>12,000 before July 1, 2015; 13,000 afterwards</b>
<b>Industry/sector Wage Comparator</b>  <b>Average Monthly Wage of Manufacturing</b>	<ul style="list-style-type: none"> <li>Value comes from a 2013-2014 Labor Force Survey conducted by Statistics Division, Pakistan Bureau of Statistics, Government of Pakistan. The survey uses nationally representative sample, and for the year of 2013-14, the sample size comprises 41,484 households.</li> <li>PKR 12095 is the average monthly wage for plant/machine operators and assemblers. See Table 31 "Average Monthly Wages of Employees by Major Occupational Groups" (page 37).</li> <li>Adjusted for inflation using IMF WEO CPI (to 2015 value): 12642.4</li> </ul>	<u>Labour Force Survey (LFS) 2013-14, Pakistan Bureau of Statistics</u>	<b>12,642.4</b>

## INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (PKR)
<b>National Poverty Lines (2 adults)</b>	<ul style="list-style-type: none"> <li>Poverty line developed by Ministry of Planning, Development and Reform.</li> <li>The official poverty line in Pakistan is calorie-based, and consumption-based absolute poverty is estimated after converting the household consumption level to adult equivalent based on recommended nutritional requirements of 2350 calories per person per day and providing an almost equivalent amount for other basic needs.</li> <li>Poverty line is 1745 in 2010-11.</li> <li>Adjusted for inflation using IMF WEO CPI (to 2015 value): 2361</li> <li>Two adult equivalent consumption units: 4722</li> </ul>	<u>Ministry of Finance-Pakistan</u>	<b>4,722</b>
<b>World Bank 'international poverty line' (2011 PPP\$ 3.10/day)</b>	<ul style="list-style-type: none"> <li>Poverty is measured by the World Bank at Purchasing Power Parity (PPP)\$3.10/day.</li> <li>The \$3.10 equivalent is <math>(28.34 * 3.1) = \text{PKR } 87.85</math></li> <li>On a monthly basis, this is <math>(\text{PKR } 87.85 * (365/12)) = \text{PKR } 2,672.23</math>.</li> <li>Adjusted for inflation, this amount is <math>[198.16 (\text{CPI } 2015)/189.58 (\text{CPI } 2014) * \text{PKR } 2,672.23] \text{ PKR } 2,793.17/\text{person}/\text{month}</math></li> <li>The household equivalent of PKR 2,793.17, assuming two consumption units and one earner is PKR 5,586.33/month.</li> </ul>	<u>WB 2011 ICP</u>	<b>5,586.33</b>
	<ul style="list-style-type: none"> <li>The household equivalent of PKR 2,793.17, assuming three consumption units and one earner is 8,379.50/month.</li> </ul>		<b>8,379.50</b>

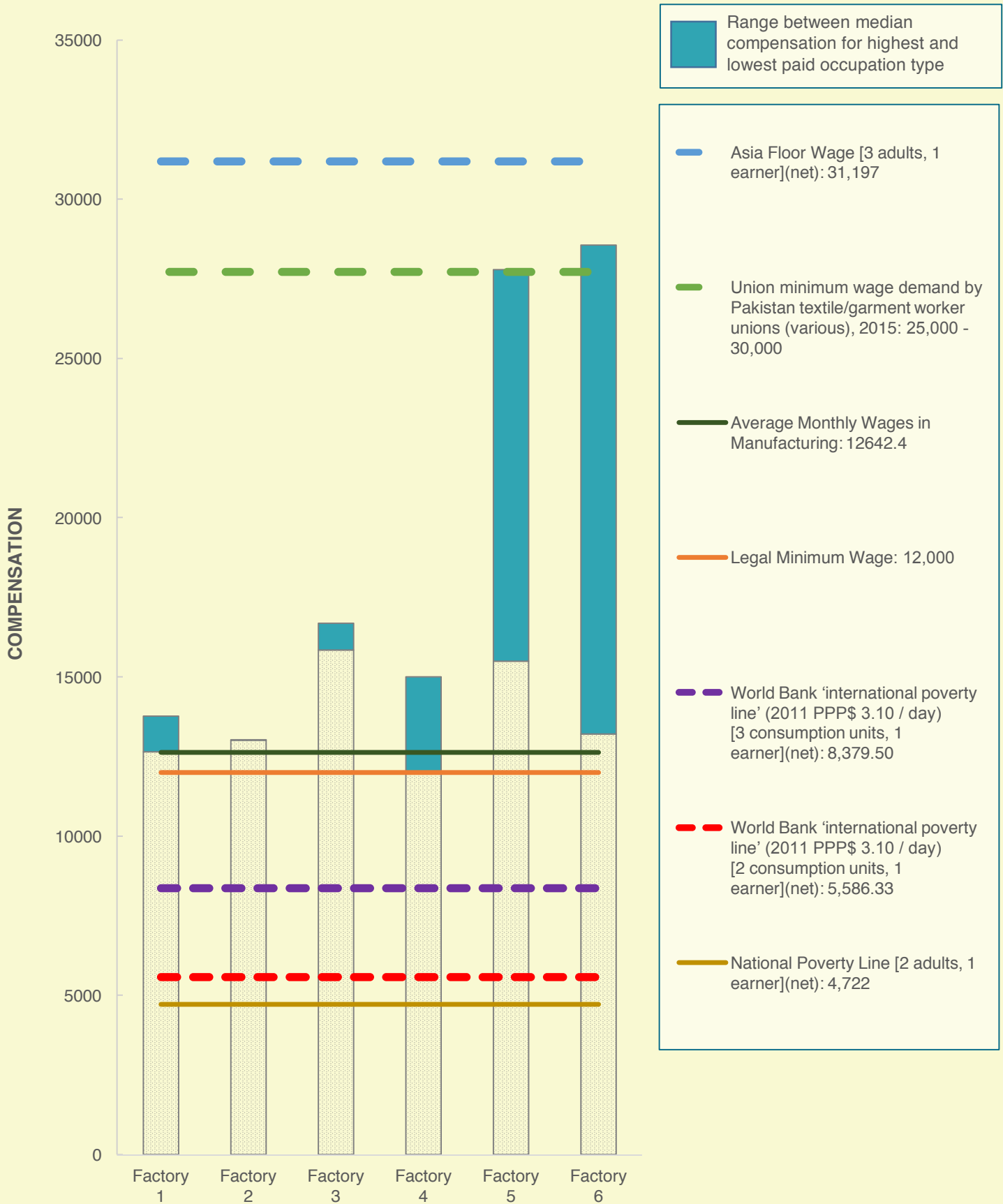
# PAKISTAN

## INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (PKR)
<p><b>Living Wage Estimate</b></p> <p><b>Asia Floor Wage (3 adults, 1 earner)</b></p>	<ul style="list-style-type: none"> <li>Asia Floor Wage Alliance (latest revision found from 2015—1021PPP\$)—A standard PPP\$-based estimate for East and Southeast Asian countries applicable to manufacturing industries (based on a 3,000-kcal diet for a three-adult-equivalent household with a single earner)</li> <li>Food basket research was done in Cambodia, India, Indonesia, and Sri Lanka to obtain the country Asia Floor Wage figures. For other Asian countries where food basket research was not conducted, the figures were extrapolated.</li> </ul>	<p><u>Asia Floor Wage Alliance</u></p>	<p><b>31,197</b></p>
<p><b>Union Demand (Minimum Wage)</b></p>	<ul style="list-style-type: none"> <li>Unions had been demanding for minimum wages to be fixed between PKR 25000 to PKR 30000. The current minimum wage is fixed for each province and at about PKR 13000.</li> </ul>	<p>Pakistan textile/ garment worker unions (various), 2015</p>	<p><b>25000 to 30000</b></p>

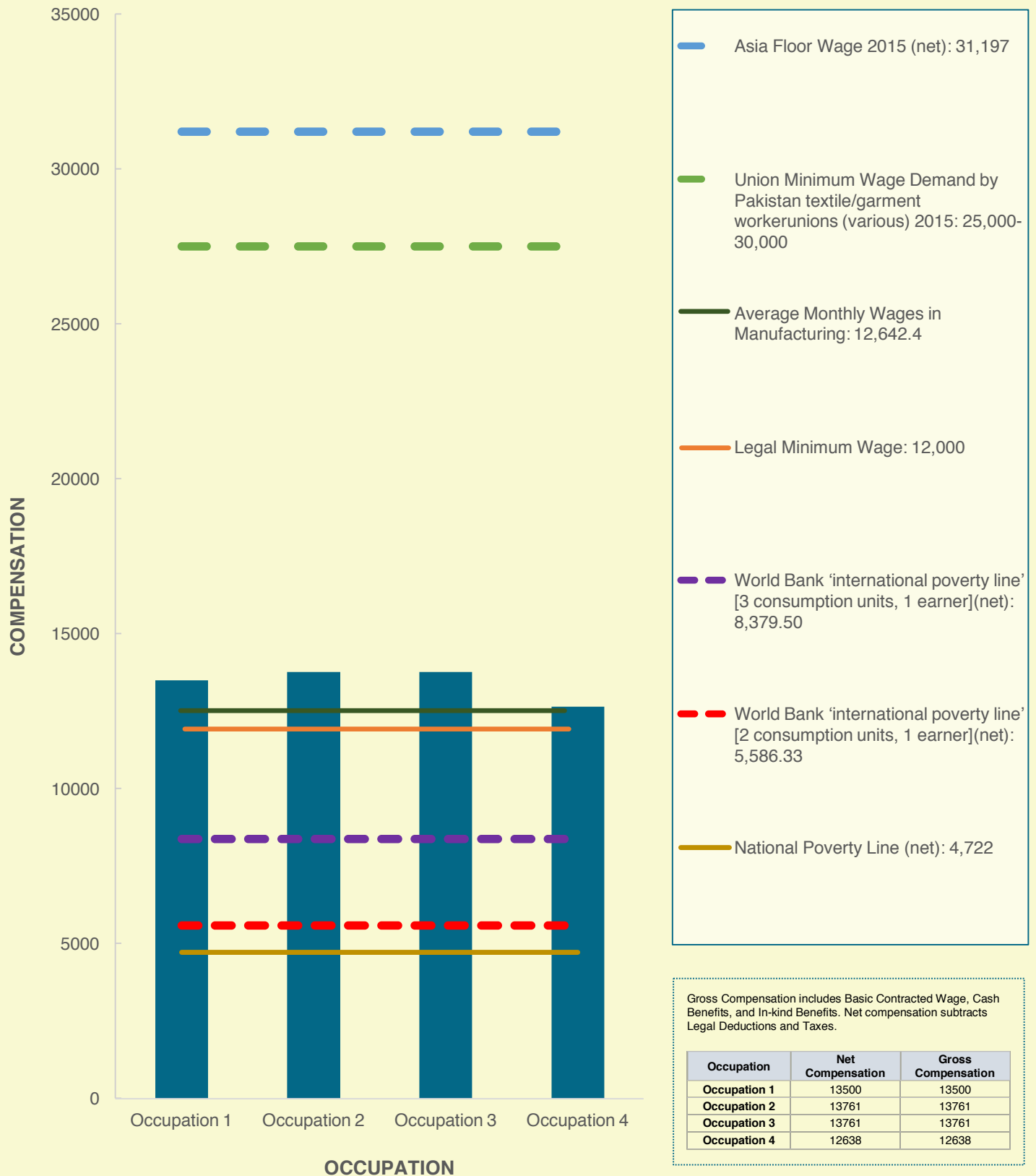
# COMPENSATION COMPARISON ACROSS FACTORIES

**PAKISTAN** *Currency: Pakistani Rupee (PKR)*



# MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

## PAKISTAN (1) *Currency: Pakistani Rupee (PKR)*



# MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

## PAKISTAN (2) *Currency: Pakistani Rupee (PKR)*



Basic Contracted Wage

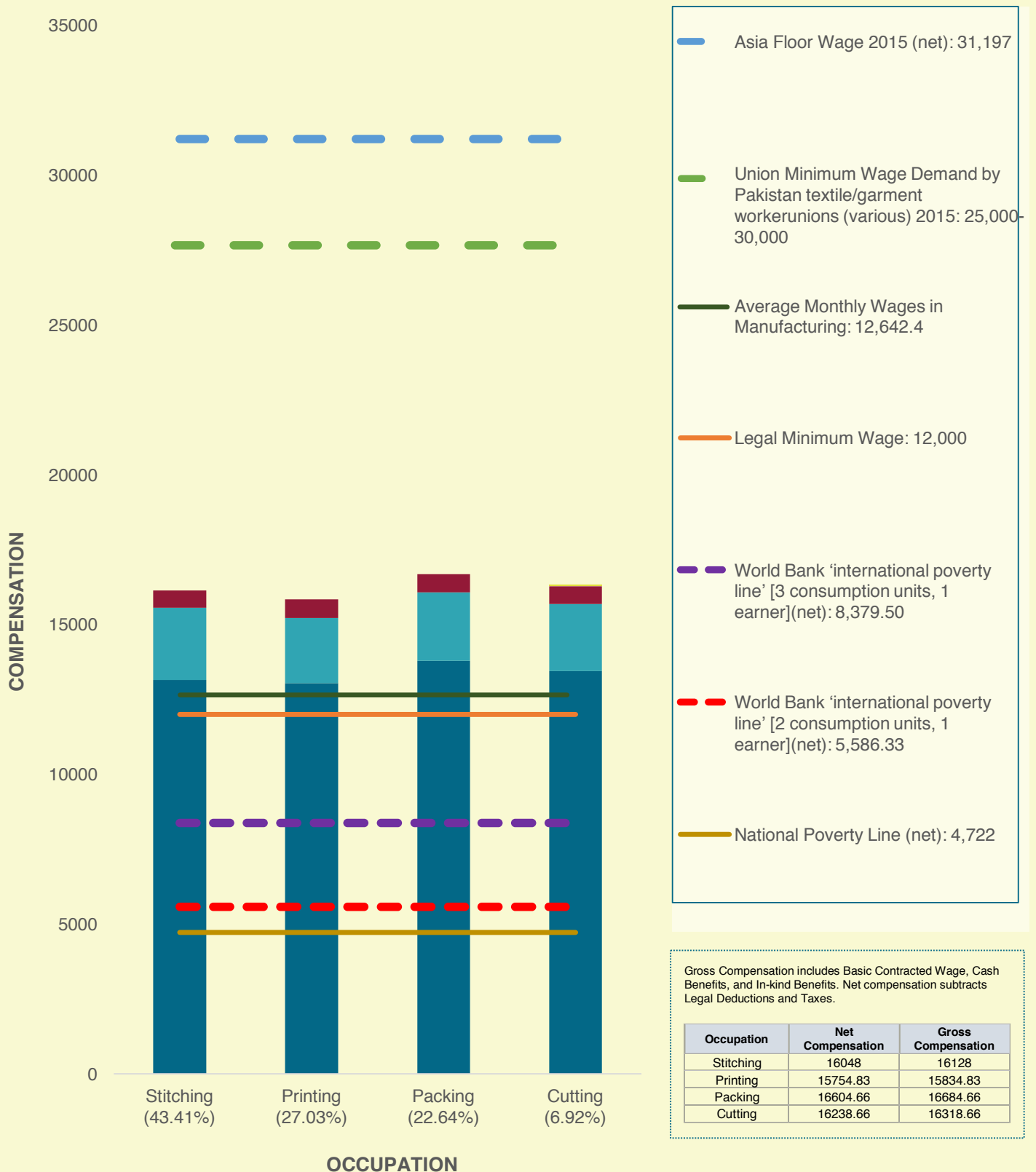
Cash Benefit

In-Kind Benefit

Incentives

# MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

## PAKISTAN (3) *Currency: Pakistani Rupee (PKR)*



Basic Contracted Wage

Cash Benefit

In-Kind Benefit

Incentives

# MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

## PAKISTAN (4) *Currency: Pakistani Rupee (PKR)*



Basic Contracted Wage

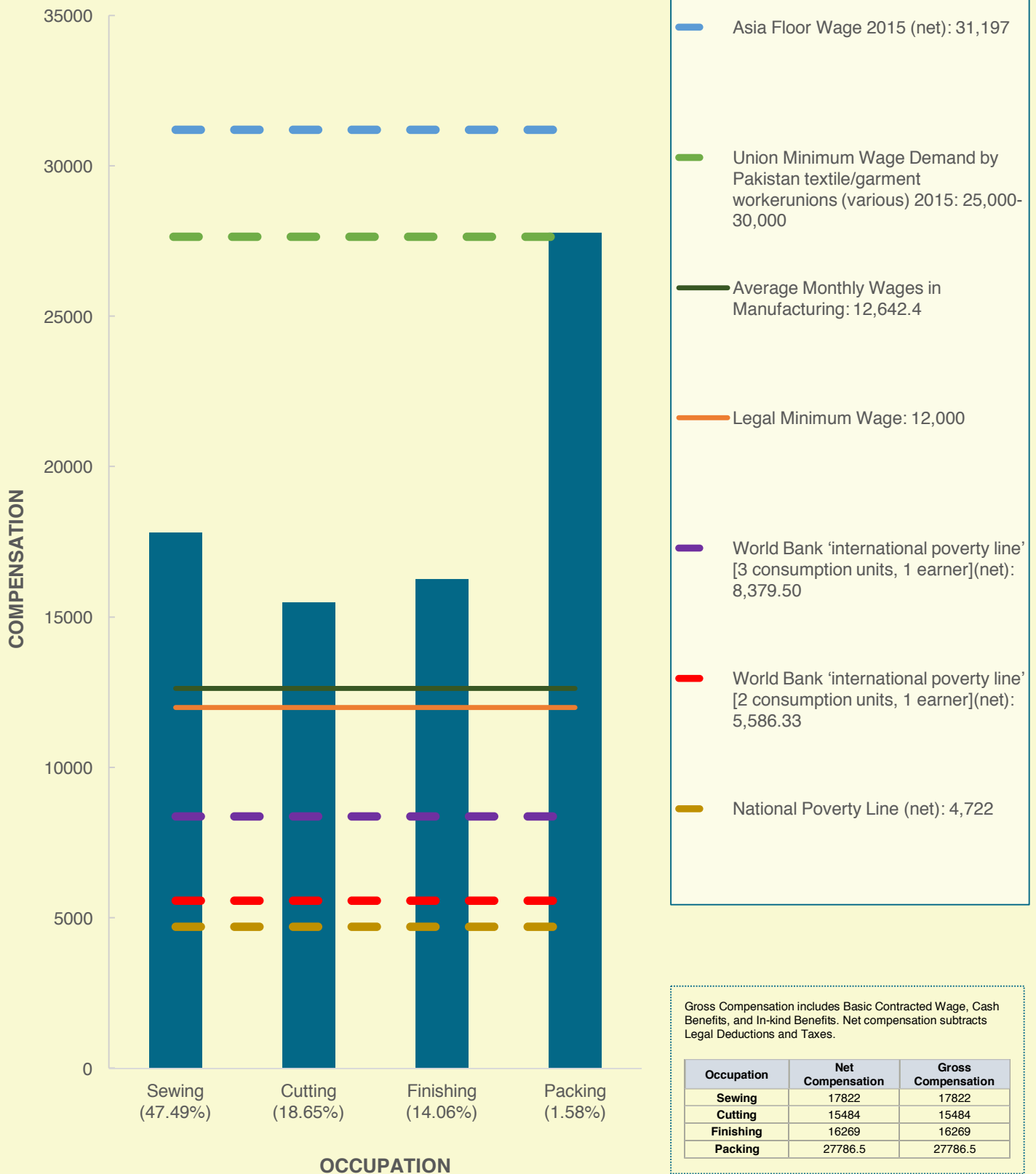
Cash Benefit

In-Kind Benefit

Incentives

# MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

## PAKISTAN (5) *Currency: Pakistani Rupee (PKR)*



Basic Contracted Wage

Cash Benefit

In-Kind Benefit

Incentives



# MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

## PAKISTAN (6) *Currency: Pakistani Rupee (PKR)*

