



Guidelines for Factory
owners and Managers



Responsibilities Under Labour Laws



**Labour & Human Resource Department
Government of the Punjab**



Guidelines for Factory owners and Managers



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Being the owner or manager of a factory, you play an important role in the economy of Pakistan. You create jobs. You provide the goods and services people need. It is in your interest to run the factory in a way that it is a profitable and sustainable and your workers are satisfied. Labour laws are aimed at protecting the rights of employers workers and promoting a productive and better working conditions. These guidelines will help you understand your responsibilities in order to implement these laws and run your business in a sustainable and responsible manner.



What is factory?

Those enterprises or establishments where 10 or more workers are employed in a manufacturing process are called as factories.



Registration of factory

The registration of factory under Factories Act 1934, is the responsibility of employer or manager and is essential to provide the coverage of labour laws at the workplace. The procedures and forms required for registration are available at the office of District Officer Labour or Inspector of



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Factories of your area.

Inspections



Inspections of factories are carried out by the inspecting officers of Labour Department under various labour laws, which deal with health and safety, wages and working conditions. The laws prescribe some registers and forms in which the data and information pertaining to compliance with labour laws is to be maintained. In order to get maximum benefit from inspections and to avoid legal problems these records should be maintained and kept available for inspection. Under the Industrial Policy 2003, the random inspections have been stopped and the employers are made responsible to submit declarations on a simple form, based on which a draw is to be held for detailed inspections. These forms are available from the local office of District Officer Labour.

Wages

It is the responsibility of the employer and manager to ensure the legally mandated wages are given to workers regularly and their correct record is maintained.





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Working Hours

Working hours of adult workers (age above 17 years) shall be 9 hours a day and 48 hours a week, which means that daily working hours are 8 with one hour break for rest. No woman worker



shall be allowed to work between 7 pm to 6am in the morning. There must be rest interval for 1 hour after 6 hours of continuous work and half an hour rest for 5 hours of work by the worker. In certain cases the working hours of women workers can be extended till 10:00 pm with provision of pick and drop facility. Special provisions have been made in the laws for working hours and daily spread over in different kinds of factories.

Leaves and Holidays

Factories must observe one holiday each week. Annual holidays of 14 days can be availed by workers on completion of one year of service.



Workers also have the right of being fully paid on gazetted festival holidays. In case a worker has to work on festival holiday, due to emergency production schedule, then that worker has to be given double wages and one substitute holiday. The workers also have the right to avail leave. In case of sickness, workers can avail 16 leaves on half pay. Additionally 10 full-paid casual leaves can be availed by worker.



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Health and safety

It is the duty of employers or managers to run their operation in safe manner which should not cause health and safety hazards and risks for the workers. Special provisions have been made in the law about work areas, machine hazards, fire safety, dust and fumes, confined spaces, dangerous machinery and equipment etc. Some provisions require maintenance of record pertaining to health and safety measures. Accidents have to be recorded and reported in case of serious injuries on prescribed forms. In case of death or serious injury the workers have to be provided compensation as per law.



Social Security

This is a scheme through which workers and their families are provided with medical care, cash benefits and injury and disability insurance. The employers have to contribute towards this scheme on behalf of each worker drawing monthly wages of 10000 rupees or less. These workers are then issued a Social Security Card to avail these facilities.





Freedom of Association

The labour laws encourage healthy social dialogue for better productivity and industrial peace. The employers and workers have strong responsibilities to work for the prosperity of the enterprises.



Women workers

Employers are encouraged to provide decent employment conditions to women workers so they can play their role in the economy of the country. The women workers have been given special protection and incentives in the form of maternity benefits, toilet and rest areas, working hours, health and safety. The women workers should not be discriminated in payment of wages and opportunities for advancements and skill development.



Children and young workers

Children below the age of 14 are not to be employed in factories. However adolescent workers should be encouraged to learn skills and become useful workers under good supervision and protection. Employment of adolescent workers is prohibited in the hazardous occupations.





Important Labour Laws applicable in Factories

Name of Law	Applications
Factories Act, 1934	Regulates the working conditions in factories, employing 10 or more workers
Punjab Industrial Relations Ordinance, 2010	It provides framework for the industrial relations between management and the workers. It regulates the trade union Activities
West Pakistan Industrial & Commercial Employment (Standing Orders) Ordinance, 1968	Provides the framework and guidelines for the service rules of industrial and commercial workforce
Important Labour Laws relevant to Factories	
Workmen's Compensation Act 1923	Provides the institutional mechanism for provision of monetary compensation in case of work-related accidents resulting in injuries or death.
Payment of Wages Act, 1936	Determines the mode of payment of salaries and wages of industrial workers
Minimum Wages Ordinance, 1961	Specifies the Minimum Wage to be paid to different categories of workers
Employees Social Security Ordinance 1965	Makes provisions for social security scheme and its benefits.
Employees Old Age Benefits Act, 1976	This law provides for old age pension to the workers



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For more information
visit: www.ciwce.org.pk
you can download this leaflet as well as other
awareness materials on labour laws from our website

For complaints and inquiries
Call toll Free: **0800 33 888**
or visit the office of District Officer (Labour)
in your district

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