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**YOUTH EMPLOYMENT AND UNEMPLOYMENT IN PAKISTAN -  
AN OVERVIEW OF 1990's**

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March 2000

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## INTRODUCTION

Productive utilization of youth is of critical importance for variety of reasons. Youth being the new entrants in the labour force offer an opportunity as well as a venue to elevate the employment structure to achieve higher levels of productivity. A prolonged spell of youth unemployment results into shortening of average working life besides rendering youth unemployable and embodied human capital suffers from obsolescence. In the developing country like Pakistan, productive utilization of youth ensures the accrual of benefits from educational investments often disproportionately made in youth. In addition in the absence of old-age benefits youth unemployment has serious repercussion for household welfare because of the parental dependance on children for old age support. In this paper an attempt is made to document the experience of Pakistani youth in the labour market with particular focus on the recent period.

Youth focused research efforts admittedly have to encounter number of difficulties. Neither is there any official definition of youth nor majority data sources permit youth specific analysis simply because the information on age-distribution is not readily available. In the context of youth specific analysis pertaining to labour market there are, however, some redeeming features. With the possible exception of data on emigration and technical/vocational training most of the available information can be tailored to infer youth related labour market aspects. In addition, youth, arbitrarily defined to be falling in the age cohort of 15-24 years, account for overwhelming promotion of incremental labour force, student body and unemployed. This makes the governmental policies envisaged to promote employment or education/training more relevant for youth.

Since generation of employment to a large extent depends upon the growth of the economy, first section of this paper briefly describes the performance of Pakistan's economy during 1990's. In addition to growth of the economy, poverty profile and income distribution is also discussed. Employment and unemployment as yielded by the latest Labour Force Survey (1996-97) finds its discussion in the second section of the paper.

Supply side factors such as population growth and recent emigration trends are contained in the third section. Current education and training programmes with focus upon youth participation are described in section four. Employment and private sector initiatives in the field of technical and vocational education are detailed in the fifth section. While section six contains a brief description of the impact of the Structural Adjustment Programmes on labour market, concluding remarks are provided in the final section.

## SECTION I

### ECONOMIC GROWTH DURING 1990'S

The decade of 1990's unfurled a host of challenges and problems for the economy and society of Pakistan. These problems, such as budget deficit and balance of payment were in the making for long time though the built in rigidities and weaknesses of the system were exposed when efforts to address these issues were initiated under various IMF/World Bank Stabilization and Structural Adjustment Programmes since late 1980s. In an historical perspective the mismatch between revenue and expenditure worsened the situation through accumulation of large stock of debt with unsurmountable debt servicing liabilities. Since 1977 for instance Public Debt in real terms grew at a rate much higher than real GDP growth. The slippage of the economy into debt trap in fact put a halt to the past practices wherein the entire development expenditure and occasionally the current expenditure used to be financed by internal and external borrowing. In other words passing on the costs of development to future generations through wreck less borrowing and maintaining the regal consumption standards were not feasible any more, rather discipline was imposed to rectify the internal and external imbalances through curtailing expenditure, raising revenues and better export performance under above mentioned IMF/World Bank reform packages.

Pakistan's economy under these trying circumstances which entailed squeeze in the wake of inelastic taxation system faltered and in the face of resource crunch tumbled down. Thus GDP growth during the 1990's has been the lowest since 1950, in particular there was a substantial decline in manufacturing output which registered 5% growth per annum during this decade in contrast to 8% in the 1980's. Similarly most of the growth targets envisaged by Eighth Five Year Plan 1993-98 could not be achieved. For instance GDP grew by 4.3% in contrast to 7% targeted. Major sectors of the economy agriculture and manufacturing attained 4.9% and 4.5% growth against the plan targets of 5% and 9%.

Investment remained more or less stagnant during the decade. In fact gross domestic fixed investment declined from 19% of GDP in 1992/93 to 14.7% 1997/98. The resource crunch faced by the economy was mostly due to failure to increase revenues internally through tax efforts and decline in the net external inflow. While the revenue and expenditure as a fraction of GDP during the decade were roughly similar, 17% and 24%, to what was obtained in the 1980's, major changes were experienced in case of the development expenditure - 7.3% in 1980's to 5% during the 1990's. Main brunt of the squeeze therefore has been on the development expenditure which declined from 7.5% of GDP in 1991/92 to 3.6% in 1998/99, thereby making it possible to reduce the budget deficit from 7.4% to 4.7% during the same period. It may be noted that reduction in the budget deficit was one of the major conditionalities of the IMF/World Bank Stabilization and Structural Adjustment Programmes. (See Appendix Table 1).

While the budget deficit was improved at the cost of squeezing the development expenditure, no visible impact can be traced on the current account deficit which went up from 4.9% of GDP during the 1990's compared to 3.9% for the 1980's. In dollar terms the growth of export fell. With the onset of liberalization and rationalization of tariff structure the manufacturers found it difficult to adjust to emerging cost benefit configuration. Similarly export diversification met with limited success. Average growth rate of exports during 1990's being less than average depreciation in exchange rate alludes to inelasticity of supply.

In addition to above mentioned factors, the frequent changes in political governments, punctuated by caretaker regimes, injected inconsistencies in the policies. Worsening governance structure, institutional decay further impaired the societal parameters within which economic activities are undertaken. Worse still, the very efforts to improve the situation, particularly the

foreign exchange position and investment, through attracting Foreign Currency Accounts and IPP's, turned out to be Achilles heel. The default on the former and disputes with the latter virtually shattered the confidence of investors both inside and outside. Major sectors of the economy during this decade of stagnation more or less registered subdued performance.

The overall growth in agriculture, which on the average, was slightly higher in 1990s than the previous decade was due to the livestock sector which exhibited above average performance. Most of the growth in agriculture sector is input based with little improvement in the productivity, reflecting a failure to mount effective research, extension services, and water management practices.

Poor performance in the manufacturing sector during the decade explains the overall low growth of the economy. Manufacturing registered a growth, rate of 5% during 1990-98 compared to 8.2% during 1980's. Erosion of incentives due to the tariff rationalization, with drawl of export duties on inputs such as cotton, rise in real rate of interest due to financial sector reforms and crowding out of the private sector by governmental borrowing adversely affected the profitability thereby investment and growth in manufacturing.

The growth in service sector during the 1990-98 has been substantially lower (4.6%) than what was obtained during 1980's (6.6%). Given the interdependence between growth in services sector and other sectors of the economy the low growth during 1990's is an expected result. It may also be added that deceleration in the growth of public administration, downsizing the government, and lower level of investment in the infra-structure further curtailed the growth in activities like trade, and transport.

### **Poverty**

In an historical perspective Pakistan was successful in reducing poverty over the decades since independence. Absolute poverty, Head Count ratio based on caloric intake, declined from 46.5% in 1969/70 to 17% in 1987/88. Since then however the reversal has taken place. (See Appendix Table 2). Most recent research exercises are suggestive of a substantial rise from 18.3% in 1984/85 to 35% in 1998/99 in poverty incidence. This deterioration has been experienced both by rural as well as urban areas. Incidence of poverty using basic needs approach recount the same story, a rise from 29% in 1986/87 to 38% in 1998/99.

With the advent of 1990's the economy gradually receded back to stagnation registering a GDP growth of 4% or so. In addition the character and nature of overall dispensation underwent a change. It is difficult to provide a causal link between IMF/World Bank SAP implemented during 1990's. A steep cut in the development expenditure, downsizing the government, labour shedding and subdued economic performance must have had negative influence in this context. Remittances have fallen substantially and declined by over 40% during the 1982/96 period. Since 1998 after the nuclear detonation and subsequent freeze on foreign currency accounts remittance have further dipped to the lowest level ever. In addition there was a massive cut in food subsidies which declined from 2% of GDP in 1988/89 to 0.5% in 1996/97. It appears that under the rationalized tax structure with disproportionate reliance on indirect taxes relatively more burden has been shifted to poor. It may be added that governmental antipoverty programmes are insufficient to reverse the trends. Spending on safety nets is meagre accounting for less than 0.2% of the GDP. Zakat system benefits only to one million poor but amount is not large enough to have a perceptible impact on poverty alleviation. Above all failure to general sufficient job opportunities to arrest unemployment levels has had a negative impact.



## **Income distribution**

Data pertaining to income distribution reflects an increased concentration of income as yielded by Gini Index which rose from 0.348 in 1987/88 to 0.410 in 1992/93. The share of the lowest 20% households in income followed suit. It declined from 8% to 6.2% during the same period, whereas that of the top 20% household experienced a rise in their relative share from 43.7% to 48.2%. Both rural as well as urban areas displayed similar changes in the structure of disparity, though income distribution in urban areas appears to have worsened more than the rural areas.

While sound quantification of the impact of Structural Adjustment Programme on income distribution in the context of low GDP growth is desperately needed. A simulation exercise at PIDE using Social Accounting Matrix is reflective of negative impact of SAP on the lower income groups both in urban as well as rural areas. In this exercise the effects of the reduced public expenditure on social sectors and withdrawal of subsidies were assessed. In addition it may be added that increased efforts for revenue generation with disproportionate emphasis on GST, and regulatory duties may have rendered the taxation structure more regressive in character. It may also be added that, as detailed in the next section, rising unemployment with attendant stagnation or decline in real wages can be a contributory factor towards worsening income distribution.

Stagnation of the economy during the 1990s resulted into worsening of poverty as well as the income distribution. As discussed in detail in the next section, labour market imbalances such as unemployment and underemployment were also magnified.

Youth is directly influenced by low level of job creation which consequenced into higher unemployment level for youth, along with informalization of jobs and declining wages. Unlike the past wherein the government did escalate the public sector employment along with infrastructure development programmes to create jobs for youth, the state efforts during this decade were confined to provision of credit for self employment and enhancement of technical and vocational training facilities. These are detailed in the sections which follow.

## SECTION II

### YOUTH EMPLOYMENT AND UNEMPLOYMENT

#### SIZE AND STRUCTURE

According to the latest available Labour Force Survey 1996/97 over half (54%) of the working age population (10 years and above) is less than thirty years of age. Youth defined to be lying between 15-24 years of age accounts for one-fourths (25.6%) of the potential labour force or working age population. The share of youth in the total employed and unemployed for 1996-97 were 23.6% and 40.7%. It may be noted that these shares changed over the years, which appears to be a byproduct of changing demographic structure and variation in labour force participation rates. While the ramifications of demographic changes are subject of a subsequent section, below a brief discussion upon labour force participation, employment structure and unemployment during 1990s with particular reference to youth is made.

#### LABOUR FORCE PARTICIPATION

Labour force participation rates in the developing world including Pakistan are based upon measures often regarded to be deficient. In essence these measure based upon notion of "work" fail to reckon with the realities obtained in the context of pervasive household enterprise. In addition the very efforts to improve the estimation procedures, often through introduction of changes in the definitions, impair inter-temporal comparisons.

The Pakistani labour force data are, however, suggestive of a more or less a constancy in the overall refined activity rates for aged 10 years and over in Pakistan. For instance it was 44.7% in 1968/69 and 43.0% in 1996/97. But, there have been some major shifts in labour market participation rates and the aggregate constancy conceals wide ranging changes exhibited by different age cohorts. Most of these changes in case of male were registered by teenagers and youth. Over the years a decline in their labour market participation has occurred. This is explicable in terms of rising educational enrolment. For instance activity rates of male teenager 10-14 and 15-19 declined from 36.5% and 67.8% in 1978/79 to 17% and 53% respectively in 1996/97. During the same period the activity rates of 20-24 age cohort also exhibited a slight decline from 88% to 85%. The rest of the male population registered a rise with the exception of elderly (55 years and above) which experienced stagnation or decline in the age-specific activity rates. Labour market participation of youth as recorded in the latest LFS 1996/97 suggests somewhat a reversal of trend, particularly in case of male teenagers registering a rise in labour force participation.

In case of female, inter temporal changes in labour market participation reflect a different picture, a rise over the years for all age groups. However, the changes have been of limited amplitude. This has been despite the rise in school enrolment of teenagers and youth. It appears that part of the rise in activity rates is attributable to a shift away from housework and partly it could be due to better enumeration procedure. Data pertaining to three years of 1990's provided in Appendix Table 4 is suggestive of a rising school enrolment ratios of female teenagers and youth but the female tended to substitute housework for the rise in labour market participation.

In case of male the rise in the labour force participation of youth has been at the cost of lower school enrollments than were observed in 1993/94. This is however not consistent with the rising educational enrollment data, as discussed in the next section. This merits further investigation. In particular whether or not this inconsistency can be explained by rising dropouts at the relevant educational levels.

Regional and provincial differentials in activity rates persist for both the sexes and different age cohorts. While edge of rural male over its counterparts in urban areas is limited in that the refined activity rate of the former is 72% in 1996/97 LFS compared to 67% for the latter. In case of female rural/urban differentials are noteworthy. Activity rates in rural areas are roughly twice of the urban areas (See Appendix 5). Age specific labour force participation rates of teenagers and youth display similar levels of rural/urban differentials in fact more pronounced in case of females. Activity rates recorded by LFS to some extent bear out the effect of job-structure particularly the ease or difficulty with which a respondent can be classified as working. In rural areas where agriculture is a predominant activity getting recorded as unpaid family helper being easy tends to inflate the activity rates of youngsters and females in rural areas.

Female labour force participation in general has been reported to be lower than the male in LFS. A comparison of LFS data with Agricultural Census of 1991 suggests a good deal of discrepancy wherein the former records a lower level of activity. This has often been attributed to inadequate measurement concepts deployed by LFS. In an effort to improve the Federal Bureau of Statistics (FBS) since 1990/91 tried to estimate female labour force participation also on the basis of their contribution in certain identified activities in addition to conventional concepts. This in turn improved upon the female labour force participation acquiring almost similar levels as in Agricultural Census 1991. However, FBS has so far preferred not to integrate this information with the rest contained in LFS such as industrial/occupational distribution of employment.

## **EMPLOYMENT STRUCTURE**

Employment structure exhibited changes in its industrial composition over the years. During the 1990's, for instance share of agriculture declined from 51% of total in 1987/88 to 44% in 1996/97. Similarly the manufacturing and mining sector experienced a curtailment in its share from 12.8% to 11.2 during the same period. It may be of interest to note that the this sector accounted for 15.6% in 1969/70, a de-industrialization since then in a relative sense. Most of the gains in the relative share of employment has been registered by trade, services, transport and construction. Inclusive of construction the commodity producing sectors accounted for 67.28% in 1990/91 which declined to 63% of total employment in 1996/97. (See Appendix Table 6).

Industrial composition of the employed teenagers and youth as born out by 1996/97 LFS discussed below needs to be interpreted in the context of stagnation of the economy during 1990's and the characteristics of these individuals particularly the level of education. For instance 28% of the employed belonging to age cohort of 20-24 were matriculate or with higher level of education. This fraction was only 19% for 30 years and above. Keeping this distinction in view, one finds in general pre-ponderance of teenagers in the agriculture sector. For instance 63% of the age cohorts of 10-14 and 44% of (15-19) were employed in agriculture. This fraction drops to 37% for 20-24 and 30 years and over. Similarly share of youth (15-24) employed in service (30%) is higher than their share in total employment (23.5%). Relative intake of this group in the manufacturing and trade is higher but lower in transport, construction and utilities than their average (Appendix Table 7).

Controlling for the education level some interesting results emerge. For instance percentages of matriculates belonging to the age cohorts of 15-19 and 20-24 (youth) engaged in agriculture are higher than the remaining. Around 27% of the former and 24% of the latter matriculates are engaged in agriculture compared to 14% of the age group of 30 years and over (see Appendix Table 7). This pattern of labour absorption often euphemistically called as human capital diffusion in agriculture gets reflected in the surveys as rising level of education of unpaid family helper. On the other hand the share of youth matriculates is substantially lower in services than the adults or elderly matriculates. Interestingly the reverse is obtained for manufacturing which merits further investigation because the manufacturing employment relatively declined and higher share of

youth is reflective of some compositional changes such as share of small scale in total manufacturing or nature of employment such as casualisation.

It may be added that information pertaining to a particular educational level of an age cohort is based on limited number of observation. Educational composition of employed male and female reflect a higher share of illiterates among female (78%) than the males (50%). Across the age cohorts these fractions exhibit variation. Youth account for 18% of illiterate male and 21% of female employed. On the other hand the share of youth in employment of matriculates are 29% for male and 42% for female. This surge in educated female employment presumably occurred during the 1990's because of the implementation of Social Action Programme emphasizing primary education and health. However this trend appears to be more pronounced in urban areas than in rural areas, which reflects the concentration of female in services in urban areas, accounting for over 60% of the female employment. In rural areas less than 10% of the female are engaged in services wherein around three fourths of female are engaged in agriculture.

## **OCCUPATIONAL DISTRIBUTION**

Occupational distribution at low level of technological applications and development follows the industrial composition. Thus according to LFS 1996/97 over 60% of the employed in rural areas belonged to agricultural workers. This is followed by elementary workers accounting for 22% of rural employment. In urban areas the elementary occupation represent 31% of the total employment, followed by sales/service workers which account for 15% of the urban employment. Needless to mention that share of white collar occupations (legislators, professionals/technical and clerks) is three times in urban (6.8%) of rural employment (2.1%) in 1996/97.

The cross-sectional occupational structure pertaining to participation of youth yields that youth (15-24 years) have lower level of presentation in the so called white collar occupations than the age cohorts of 25-29 years and 30 years and above. The rural/urban age specific distribution bear similar trends. This is despite the fact that the educational level of 20-24 age cohort reflects a higher fraction of the educated (matric and above) than the 30 years and over. In other words the changing employment structure during 1990 did not yield the occupational composition with similar or higher level of white collar slots with the exceptional trend borne out by female 20-24 age cohort which simply is reflective of the emphasis on Social Action Programme during 1990's. It may be noted that females belonging to age cohort of (20-24) display a higher level of representation in the white collar occupations than that of the 30 year and over female.

## **FORMALITY/INFORMALITY OF JOB STRUCTURE**

Information pertaining to type of enterprise and place of work is being collected in labour force survey since 1990-91. Based on this information it was concluded by Irfan (8) that the informality and casualisation has increased during 1990-95. Focusing upon the 1996/97 LFS data relating to type of employer, the subset of employees provides a interesting contrast by gender for different age cohorts. The share of youth in the Federal and Provincial government employment is lower than their share in total employment, both in case of male as well as female. However in case of public enterprise and private limited companies the share of youth female is higher than their average which is primarily due to urban employment structure. While the case is reverse for male, in case of male such a trend is obtained in case of employer being partnership or other, presumably informal sector.

A perusal of the information pertaining to place of work one finds an inverse relationship between the proportion working at own dwelling and the age. For instance it declines from 14.3 for 10-14 age cohort to 10.97 for aged 30 years and over. (See Appendix Table 10). Youth has lower

fraction than the 10-14 age cohort but higher than adults working at their own houses. On the other hand the share of employed engaged in business/establishments is highest for 25-29 age cohort followed by 20-24 age cohorts. The experience of a matriculate in participation in business/establishment reflects a lower level of access for youth than that of adults. These findings also tend to support increasing informalisation of the employment structure during the past decade. The LFS 1996/97, for the first time collected information on informality of employment structure. Using a cut off point the size of workers in an establishment it was found that on the whole only 7% of the employed are working in the formal sector (See Appendix Table 9). Sex and regional distribution represent variation. In urban areas relative higher level of employed female participation is reported in formal sector. Among the highest participation wherein 17.5% of the employed female belonging to this age group are engaged in formal sector. In case male youth such an edge is not visible. Similarly employed female has higher level of participation than male. It may be added that this information was not reported for all those who were recorded as employed. In addition to this response it must be kept in mind that share of female in total employed is a minor fraction.

## **WAGE LEVELS**

The foregoing suggests that during the 1990's the youth employment generation has confronted difficulties due to sluggish growth performance which is also associated with a shift away from commodity producing sectors. Also increasing informalisation has been experienced too. Youth being the new entrants in the labour market must have gotten a raw deal in terms of wages. Owing to data limitations it is difficult to have a conclusive evidence bearing upon real wage changes. Using a patchwork of data Irfan (8) viewed that real wages have declined during 1989-94 period. For period since then there is little evidence available though one can conjecture that declining real wage trend remained uninterrupted during the remaining years of the decade. That there has been no revisions in the public sector pay scale since 1994 must have put downward pressure in the public sector. An overall economic stagnation and rising unemployment may have further added to this downward trend of real wages.

Using cross-sectional data on monthly wages for subset of wage employees youth and non-youth differentials have been examined controlling for education. The age specific mean wages per month are reported in the Appendix Table 11. The mean wages are reflective of conventional positive association between age and levels of education. However some exceptions need to be highlighted. Youth with primary education are getting mean wages lower than the illiterate youth. This differential is more pronounced in urban areas. In an effort to further our understanding a multivariate regression is estimated. The results are reported in Table 1.

While most of the results are significant and follow the conventional wisdom. However the regression results suggest that formal sector employment has no wage premium over informal sector after controlling for all the relevant personal characteristics. This could be due to wage freeze opted by the government since 1994, a major employer in the formal sector. Using an interactive dummy to discern the vintage effect the regression results indicate that belonging to youth (15-24 years) results in lower wages for educated matric and over. It may be noted that such an attenuation is pronounced in case of graduates where graduate youth earn 16% less than their elderly counterpart despite the fact that impact of experience is reckoned by the use of age and age squared as explanatory variables in the equation.

Table 1  
Regression Results - Earning Function  
Dependent Variable = LN Wages

Explanatory Variables	Equation No. 1		Equation No. 2	
	B	T	B	T
Age (Years)	0.064	22.8	0.063	19.27
Age SQD (Years)	-0.0006	-17.98	-0.0006	-15.93
ED <sub>1</sub>	0.14	8.02	0.12	6.39
ED <sub>2</sub>	0.34	20.33	0.36	19.71
ED <sub>3</sub>	0.84	43.88	0.86	43.1
Male	0.36	16.50	0.35	16.1
ED <sub>1</sub> Y			0.078	2.32
ED <sub>2</sub> Y			-0.059	-1.99
ED <sub>3</sub> Y			-0.164	-3.23
Constant	6.08	113.58	6.11	95.55
R <sup>2</sup> (adjusted)	0.33		0.33	
F.	550.85		589.0	
No. of observation	79440.0		7944.0	

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ED<sub>1</sub> = Primary but less than matric  
ED<sub>2</sub> = Matric but less than graduate  
ED<sub>3</sub> = Graduate and higher education level  
Male = 1 if employee is male otherwise zero  
Formal = 1 if employee in formal sector otherwise zero  
Y = 1 if employee belongs to 15-24 years of age

## UNEMPLOYMENT AND UNDER EMPLOYMENT

Stagnation in economic growth, freeze on government hiring, and labour shedding in public sector, deflationary effect of budgetary measures under Stabilization and Structural Adjustment Programmes, and shift in the governmental role wherein job escalation in public sector was no more feasible constitute some of the influencing factors for job creation during 1990's. Employment growth during the 1990's has been outstripped by the labour force growth reflecting a failure to absorb the incremental labour force despite the fact that activity rates remained somewhat unaltered. The crude activity rate was 28% in 1990/91 and 28.6% in 1996/97.

Open unemployment rate, admittedly not an adequate indicator in the developing world, is reflective of a worsening situation in the labour market (see Appendix Table 12). Unemployment rate (6%) yielded by 1996/97 Labour Force Survey (LFS) is almost twice that of 1986/87. The unemployment rate reported for urban areas 7.2% is higher than that of rural areas (5.6). Similarly teenagers and female suffer from higher level of unemployment than the remaining categories. The unemployment rate of youth is higher than adults.

According to LFS 1996/97 while 4.21% of male are unemployed in contrast to 11.8% of

female unemployment rate. Male/female differentials persist both in rural as well as urban areas. An inverse relationship between age and unemployment rate for male is obtained uptill the age of 55 years. Teenagers among male suffer from the worst employment prospects. In case of female a similar comparison suggests that youth suffers from higher unemployment rate (20%) than the teenagers and adults uptill the age of 60 years. Age-specific unemployment rate indicates that female over the age of 65 years suffer from the highest level of unemployment (50%). In terms of education level one finds that illiterate and those with pre-matric education level display a lower unemployment rate than those with matric and higher level of education.

It appears from the LFS that major burden of unemployment falls on youth. For instance 40% of the unemployed can be categorized as youth whereas its share in labour force is less than 25%. However worst experience seems to be for the educated youth. Around three fourths of the unemployed male matriculates comprises of youth, which in case of females is slightly lower (67%). In case of graduate unemployment the shares of youth male and female are 44% and 62%. These fractions are substantially higher than the relative shares of these age cohorts in labour force.

Underemployment defined to be working less than 35 hours during the week preceding the conduct of the labour force survey seemingly remained constant. Underemployment ranged between 10% for 1986/87 to 11.5% in 1996/97. Underemployment generally has a higher level of incidence in rural areas than in urban areas, being 13.7% for the former and 6.6% for latter in 1996/97. Female in general suffer from higher level of underemployment (41% in contrast to 6.8% of male). Higher incidence of underemployment among female is attributable to their disproportionate participation as unpaid family helper which suffer from 52% level of under-employment.

It may be highlighted that open unemployment rate based on labour force survey is an imperfect proxy of labour utilization. A closer scrutiny of the data contained in 1994/95 LFS is reported in Appendix Table 14. For instance 71% female graduates and 50% medical doctors opted to be outside the labour force. In case of postgraduate females the percentage works out to 56%. Given that tertiary level of education is highly subsidized such a level of inactivity raises serious equity and efficiency concerns. In addition non-participation in labour force is rather esoteric for professionals and degree holders.

An additional interesting finding of the L.F.S. 1996/97 pertains to the unrealistic preference structure of the unemployed. For instance around half of the unemployed would like to have a full time job with the government, a proportion roughly twice the current governmental share in the total employment. Most of the educated (Matric and above) would prefer to have a white collar job. Preference structure varies by gender. While 60% of male would like to have the governmental job, only 29% unemployed female revealed their preference for the governmental jobs. Interestingly 12% of unemployed female looked for part time employment while 23% desired to have self employment opportunities in contrast to 4.5% of the unemployed male. Youth, particularly the educated did not register the preference structure widely different than the adults. (See Appendix Table 15).

Experience of youth during the 1990's is reflective of a declining labour market participation primarily due to rising educational enrollment. A substantial inactivity is also reported

among the educated female. Niggardly performance of the labour market is manifest from the high and rising level of unemployment among teenagers and youth. In particular the youth with matriculation and higher level of education matriculation and higher level of education suffer from higher level of unemployment than illiterates. It appears that major burden of unemployment is borne by youth wherein two fifths of unemployed are youth a share much higher than in the labour force.

In the context of economic stagnation during the 1990's employment structure shifted towards informality and casualisation. With the possible exception of educated female in urban areas hired under Social Action Programme, intake of youth in informal jobs have been higher than their counterpart adults with similar level of human capital endowment. Relative disadvantage of being youth in terms of wages is reflected by a multivariate regression exercise, based on a cross-sectional data of 1996/97.



## **SECTION III**

### **LABOUR SUPPLY**

#### **POPULATION GROWTH AND CHANGING AGE STRUCTURES**

For the first time in Pakistan's history the Population Census 1998 indicated a welcome change wherein the intercensal population growth rate declined to 2.6% as against 3.1% observed during 1972-81. The timing of the onset of decline in population growth rate is difficult to determine. However crude birth rates reported in Pakistan Demographic Survey (PDS) suggest that CBR experienced a declining trend since 1984. CBR according to these surveys has fallen from 42.7 during 1984/88 to 39.7 per thousand during 1989/94. According to 1998 Census CBR has further declined to 32.7 per thousands. On the other hand the Crude Death Rate (CDR) has also declined from 10.9 during 1984/88 to 8.7 pr thousand in 1996. However according to 1998 Population Census the CDR in 1998 was estimated to be 9.1 per thousand.

The official estimated population growth rate for the year 1998 is 2.4%, which gradually declined from 3% in 1981. The changes in the population growth rate has important implications in particular for labour supply through changing age-structure and resultant dependency ratio. This is borne out by a comparison of 1981 Census with that of 1998. The share of age cohorts (less than 15) and 60 years and over were higher in the former than the latter suggesting a cut in the dependency ratio.

Tentative population projections made by Ministry of Population for the period 1998-2023 reflect a decline in the shares of 0-9 and 10-14 years age cohort. In particular the latter falls from 12.18% in 1998 to 9.07 in 2023. As far as youth is concerned its share remains more or less constant. This is because while the share of 15-20 age cohorts starts declining by the year 2004 from 12.8 to 11.18 in 2023 the share of 21-25 years age group experiences decline by the year 2017 from 9.61% of the total to 9.29% in 2023. (See Appendix Table 16).

Because of the decline in the population growth rate, the resultant age structure has shifted more towards youth and adults. The curtailment in the dependency ratio, because of lower proportion of children, has been an obvious outcome. It also implies enlargement in size of labour force. The importance of changing age-structure for labour market has been identified to be as Demographic Gift. David Bloom (3) for instance maintained that 30% of GDP growth in East Asian Countries can be attributed to this gift. However it does not automatically follow, and accrues only if the forthcoming supply of labour is productively utilized.

#### **EMIGRATION**

The history of emigration from the areas constituting Pakistan is spread over more or less 150 years. According to Kingsley Davis (12) during the 100 years of 1834-1937, 6.2 million (net outflow) people emigrated from the British India mostly to South and East Africa and other parts of the colonial empire. Since independence, emigration from Pakistan represents diverse patterns, in

terms of skill content and direction. Because of colonial links with U.K. and shortage of labour felt in that economy, the unskilled labour from Pakistan emigrated to U.K. during 1950s and uptill mid-1960s. The stock of Pakistanis in U.K. during the period of 1961-1981 registered a substantial increase from 32000 to 295000. It may be noted that the latter number is inclusive of a sizeable fraction (40% of total) of those Pakistanis who were born in U.K., thereby making it difficult to infer the actual outflow from Pakistan. During 1960s, the emigration of skilled and educated people from Pakistan also took place to some Western countries and Middle East. According to one estimate, around 14000 highly qualified Pakistanis went abroad during 1961-66. Around one-fourths of these were medical doctors. Libya, Saudi Arabia and U.K. were the major destinations of these professional emigrants.

## **MIDDLE EAST EMIGRATION**

Labour migration from Pakistan to the Middle East on a large scale started in the 1970s. During 1972-98, the annual placement of Pakistani workers in the Middle East as recorded by Bureau of Emigration, fluctuated substantially peaking in 1977 at 140,000 and again in 1981 at 151,500. In the subsequent five years it declined dramatically. Thereafter during the period 1987-92, placements increased steadily, reaching a record level of 195,400 in 1992. During the last five years annual placements declined from 157,700 in 1993 to 104,000 in 1998. (See Appendix Table 21). Annual flow data which capture almost entirely the Middle East emigration do suggest a stagnation or decline for recent five years. Increase in the volume of emigration during 1992-94 partly reflects substitution of Yemenis and Palestinians by Pakistanis in Saudi Arabia after Gulf War in 1991. Also minimum wage standard hitherto applied were relaxed by Pakistani authorities. It may be noted that these data comprise only workers leaving with work visa, wherein the rest of the exodus of manpower is not registered.

## **RECENT EMIGRATION TRENDS**

Based on the data provided by Pakistani Missions abroad to the Ministry of Labour, migration trends by region can be inferred. The procedures used to estimate Pakistanis are not detailed by Pakistani Missions. The total number of Pakistanis is presumably guesstimated by Missions and provided to Ministry.

The estimated stock of Pakistanis abroad in Appendix Table 22 is indicative of a persistent decline during 1983 - 1988 from 1.9 million to 1.5. Nearly all of this decline occurred in Middle East and Africa. This trend is also corroborated by the annual placement data pertaining to Middle East, as discussed already. During the 1990's the exodus of Pakistani's appeared to have picked up again wherein the estimated stock in 1998 is more than twice of 1988 and 64% larger than the 1983 stock. However a change in the direction of outflow is discernable. While Middle East still accounts for nearly half of the Pakistani emigrants its share in fact was 63% in 1983. On the other hand the share of America (which includes Canada also) went up from 8% to 20% in the total during 1983-98. An estimated share in net outflow on the basis of the data on stocks is reflective of a gradual decline in the share of Middle East from 45% for 1988-89 to 10% or so in 1995-98.

To the extent these data approximate reality then juxtaposition of these stocks with the annual placement data for Middle East suggests that Pakistan must have been experiencing massive return migration from Middle East during the late 1990's. In addition exodus of Pakistanis to America and Canada is indicative of a quantum jump in the brain drain and entrepreneurial exodus from the country.

Existing information base is inadequate to facilitate meaningful analysis, in particular, the impact on youth. Since information on the age distribution of the recent emigration, inferred from stock data, is not available, it is difficult to determine the share of youth in the emigration stream. Information collected through some specialized surveys pertaining to Middle East emigration suggested that most of the emigrants were in their mid and late-twenties while anecdotal evidence pertaining to recent flow to America and Canada suggests that most of the emigrants are young and educated particularly computer programmers are reported to be the majority group among these emigrants.

Emigration of worker and co-terminus flow of remittance had a profound impact on society and economy. In a narrow context of labour market, during the boom period in Middle East emigration 1975-82, some estimate put volume of manpower exodus accounted for one-fourths of incremental labour force. However the unemployment rates recorded by the then labour force surveys remained more or less unaltered, which was partly explained as a reflection of discouraged worker phenomenon. But wage data pertaining to that period did suggest a tightening labour market (Irfan and Ahmed). Perhaps this alludes to the effect of inflow of remittances on the economy, in addition to reduction in supply of labour. In general, one can conjecture that emigration both directly and indirectly through remittances has a positive effect on labour market hence on youth employment prospects too. However, recent brain drain also is reflective of the failure of the country to internalize the benefits of educational investments made in youth.

## **SECTION IV**

### **EDUCATION AND TRAINING**

The existing Education and Training System explained in the chart (Appendix Table 17) indicates the years of schooling for different levels of education. For primary it is 5 years and so on. Broadly, primary, middle, secondary, intermediate, degree, post graduates (such as M.Sc.) and in some fields the Doctorate (Ph.D) constitute different levels of general education in Pakistan. The allocation of students to science and arts subjects in colleges is generally made after matriculation (10 years of schooling). Entry into professional education is based on the student's performance at intermediate level. However for vocational education and training mostly the entry level qualification is matric or middle, with the exception of diploma in computer or some other specified courses where intermediate level qualification is required for entry.

Certain broad features of the System with particular reference to Technical Training and Vocational Education are:

1. In contradistinction to general education system which permits mobility up the education ladder (from F.Sc to M.Sc, Ph.D and professional degrees) most of the certificate level and diploma courses offered in TEVT System are terminal. Hence for the latter (the blue collar) it offers a carrier path permitting little upward mobility as well as denying the system achieve vertical depth in skilling.
2. The entire TEVT System almost exhausts its requirement from general educational structure upto the intermediate level. Thus any improvement in quality of the tertiary education will not get automatically reflected in the quality of TEVT product.
3. Unlike the general education which administratively is under a unified and centralized management of Ministry of Education the TEVT system is fragmented and uncoordinated in the administrative set up.

### **EDUCATION SYSTEM**

Public education system, essentially reflecting the inheritance at the time of independence, comprises of different levels and tiers as reflected in the chart. These constitute the primary, middle, secondary, college and university level education. The administrative structure of the system is quite centralized with most of the policy formulation resting with the Federal Ministry of Education while provincial education departments implement programmes and formulate provincial policies and procedures. In an effort to decentralize the structure of basic education primary level, Village Education Committees/School Management Committees have been set up in the provinces. It may be added that these developments have been undertaken during the Eight Five Year Plan (1993-98) under the Social Action Programme.

### **Access and Coverage (Supply of Infra Structure)**

The coverage of the infrastructure (schools) have substantially expanded overtime. The latest Pakistan Economic Survey suggests that over the last twenty years or so the number of primary schools tripled. However, with the implementation of SAP in the 1990s the growth rate of the girls primary schools has exceeded that for males. The secondary and higher educational institutions also experienced similar increases over the past. According to the Pakistan Mouzas Statistics (1993) almost 80% of the villages have primary schools for girls within three kilometers or less while in the case of remaining 20% of the villages the primary schools are at a distance of 4 kilometers and above. The inter-provincial comparison however indicates considerable differences. It shows that in 78% of the villages in Balochistan and 50% of villages in Sindh primary school for girls is at a distance of 4+ kilometers. In case of primary school for boys these provinces are slightly better off. The most recent PIHS (1995-96) suggests that about two thirds of the villages are equipped with a primary schools within a radius of 2 kilometers or less. However, again it also shows that Balochistan and Sindh are worse-off than the other two provinces because in 22% of the villages of Balochistan and 37% of the villages of Sindh the girls primary schools are located at a distance of 11 plus kilometers.

### **Literacy and Enrollment-participation of the People**

Literacy ratios, in consonance with expansion in physical infrastructure registered improvement overtime. Intercensal comparison is indicative of a rise from 26% to 45% during 1981/98 for both sexes aged 10 years and over. Male/female differentials are substantial. The literacy ratios obtained in 1998 are 57% and 33% for male and female respectively. It may be noted that during 1981-98 period female literacy has registered 100% growth in contrast to 60% for male. In rural/urban comparison the former lags behind the latter, in particular the female in rural areas registered the lowest literacy ratio (21%) in 1998. In an interprovincial comparison the two province of Balochistan and NWFP lag behind Sindh and Punjab.

Enrollments as reported in the latest Pakistan Economic Survey (PES) 1998 similarly indicate a substantial rise. At primary level the number of students rose from 10 million in 1990/91 to 17 million in 1998/99. The share of female in the student body has risen from 34% to 42% during the same period. A comparison between different level of education is suggestive of the fact that during 1990"s enrollment in professional colleges registered the largest rise to be surpassed only by female enrollment in the university education which works out to 119% during 1990-98.

Educational facilities for youth have expanded over time wherein the number of colleges both for male and female have risen substantially over the years. For instance, the number of colleges specifically catering to youth rose from 711 in 1990/91 to 1000 in 1998/99. Number of female specific institutions out of the above total went up from 230 to 301 during the same period. Youth enrollment in these institutions also experienced impressive growth during the corresponding period. Age-specific educational enrollment yielded by Labour Force Surveys (provided in Appendix Table No.4) is reflective of this rise. The percentages of male and female belonging to age cohort of 15-19 in school rose up from 43% and 21% in 1990/91 to 45% and 28% in 1996/97 respectively.

The determinants of participation in the school as revealed by different studies range from parental motivation, largely influenced by cost benefit configuration faced by them, to the capacity of school system to attract the pupils through the availability and endowment of schools. Similarly, the important factor bearing upon dropout comprise both the socio-economic background of the child, the school context and quality of instruction material, besides the parental perception of the value of education.

However, the dropout rates in Pakistan represent a major problem compounding the problem of low enrolment. While the available statistics give very conflicting estimates of net and gross enrolment rates at the primary level, some rise during the past five years is expected to have occurred because of massive efforts and resources put in the implementation of SAP. Still the universalization of primary education in Pakistan remains an elusive goal. Low levels of enrollments, the retaining of children after they have been enrolled, and high dropouts are some of the major factors which constitute hindrance in this respect. Hasan (1994) reports that about 50% of the children dropout by the time they complete class five.

Access and retention in primary school system in Pakistan compares very un-favourably with similarly placed South and South East Asian countries. A comparative picture based on the early 1990's data reveal that in contrast to average of 102, apparent access rate to primary grade 1 in Pakistan is 71. Dropout takes further chunks away with the result that only 51 students reach the last grade. In other words the internal efficiency ratio of 0.74 obtained for Pakistan is far below the average yielded by the countries in comparison. Few studies which looked at continuation rates in the primary school hardly suggest that a major improvement in this respect did occur during the recent past with possible exception at primary level where some improvement has been noticed recently. The dropout and repetitions however bear upon the cost effectiveness of school system.

Unfortunately, information pertaining to dropouts is sketchy and limited. Researchers generally estimated dropouts by level of education using enrollment data. This makes it difficult to work out gender and age specific dropout rates. In addition, there is hardly any programme which targets the dropout.

## **TECHNICAL AND VOCATIONAL TRAINING**

In contrast to general education, the administrative set up envisaged to guide and administer the TEVT is fragmented, disjointed and uncoordinated. The technical education, the technician level training, is undertaken in polytechnics currently estimated to be around 90 with 45000 capacity. Polytechnics offer a three years post matric diploma courses of Diploma of Associate Engineers (DAE) in 35 technologies and are administered by Ministry of Education. The Colleges of Technology are affiliated with various engineering universities which prepare student for Bachelor of Technology Degree, a two year plus course over DAE.

## **VOCATIONAL TRAINING PROGRAMMES**

Various ministries and departments in addition to private initiatives are engaged in the

provision of vocational training. The number of institutions and the capacity of output attributable to different agencies is provided in Appendix Table 18 for the year 1992. As revealed by the table major actors in the field of vocational training are:

- (1) The provincial education departments which administer the Government Vocational Institutes (GVI).
- (2) The Directorates of Manpower and Training (DMT) of Ministry of Labour and Manpower, at the provincial level administer Technical Training Centres (TTCs) Vocational Training Centres (VTCs) GVIs and Apprenticeship Training Centres (ATCs). In addition in-plant training programmes under Apprenticeship Training Ordinance of 1962 also fall under the administration of provincial departments of manpower and training. Apprenticeship training is provided at the establishments employing 50 or more workers.
- (3) Training programmes undertaken by other organisations such as Social Welfare Departments, Small Industries Corporations, Agency for Barani Area Development, Overseas Pakistanis Foundation (OPF) etc.
- (4) Training in the informal sector.

More than half of the output capacity in 1992 was with the Social Welfare Departments. While 20% of the total fell under the administrative jurisdiction of Ministry of Education and Labour. One of the major drawback of such a fragmented set up being the immense difficulty to keep track of the actual output by different trades produced by various organisations. For instance a recent publication of Ministry of Labour puts the training capacity of 103 thousand including 9400 trained under apprenticeship ordinance. This estimate is much less than the one reported in the table which does not incorporate Apprenticeship training. The establishment of National Training Board (NTB) discussed below is envisaged to achieve some level of coordination in the TEVT System.

### **NATIONAL TRAINING BOARD (NTB)**

The NTB is a statutory body, constituted under the National Training Ordinance 1980 to regulate and promote training activities in the country. The responsibilities of NTB include, assessment of existing and future needs of skills, systematization of training programmes, developing curricula, setting skill standards, and evaluation of training methodologies. The NTB comprises of membership belonging to Government, employers and employees and is supported by Provincial Training Boards. The secretariat for the NTB is provided by the National Training Bureau headed by a Director General of the Ministry of Labour.

Very little is documented about the actual performance of NTB in relation to mandated functions. Also the required technical competence of the members of NTB as well as its secretariat to undertake evaluation or regulation of training system in the country is not explicitly laid down. The policy focus of NTB has been the government vocational and technical training programmes which itself has hardly undergone any substantial change since the inception of NTB. More recently

however, efforts have been to enlist the participation of private sector and to expand training activities to informal sector enterprises. Some of these initiatives are discussed in the next section.

Currently National Training Bureau administers around 40 training courses. Majority of these courses specify entry qualification as matric with 12 to 24 months duration. It may be noted that training capacity does not automatically get converted into enrollments. Very little is known about capacity utilization of these institutions. A study for instance estimated that enrollment was 64% of the capacity in early 1990s. (Semeiotics Consultants 1991, 1992).

## **THE SUPPLY OF SKILLS/TRAINING - AN ESTIMATE**

Hardly has there been any research effort to quantify the stock or temporal flow of the supply of technical and vocational training in Pakistan. Such an important exercise has been simply precluded by lack of adequate data. The household surveys and 10 per cent count of population censuses record general educational levels of the population covered, with no distinction for technical and vocational education or training. Innovations in the content of questionnaire introduced in Household Income and Expenditure Surveys (HIES) and Labour Force Surveys (LFS) during the 1990's do facilitate crude estimates of trained persons. Irfan (9) on the basis of the HIES attempted to estimate the proportion of trained persons in the population and in particular the labour force for the year 1993/94. Information in HIES on training is gathered separately on formal training with prescribed duration of training and a question related to on the job training. Unfortunately HIES data do not provide information pertaining to outcome of training in terms of certificate/diplomas.

The skill base of the country as yielded by the HIES 1993/94 using this procedure was incredibly low. Only 5.1% of the population aged 10 years and above could be associated with technical and vocational training. In other words only 9% of the labour force has benefitted from training. Associated with this very low proportion trained (of population 10 years and over) another disturbing feature being the predominance (63%) of pure on the job training (OJT) which, with some stretch of imagination, can be regarded as product of Ustad/Shagird or informal training system. A cross tabulation of education level and mode of training confirmed the conjecture that most of OJT in fact captured Ustad/Shagird System. Thus over half of the OJT was accounted by illiterates. This fraction was higher in case of females (67%) than male (44%). At the other end of the educational hierarchy (Matric plus) around half of the institutional training was accounted by this group, again this proportion in case of female being lower (40% than that of the male (54%). There appears to be a unique association between mode of training and level of education wherein the matriculation level served as inflection point. Those with lower than the matric disproportionately joined pure OJT while the same holds in case of institutional training for higher level of education. For instance out of those who participated in training 77% of illiterates and 67% below matric joined OJT while 73% of matric and higher level of education participated in institutional training. In other words the institutional training system has yet to modify its design to embrace the illiterates and those with less than secondary school certificate, which according to 1996-97 LFS accounted for 85% of the population aged 10 and over. A simple dichotomy between those who have had any training and those without training as yielded by LFS 1996/97 (See Appendix Table 20) suggests a slightly higher level of participation by youth, particularly 20-24



years age cohort.

## **EMPLOYMENT STRUCTURE OF TRAINED WORKER**

The survey data are suggestive of a preponderance of the trained, institutional or informal, in the urban segment of the economy. For instance while 34% of the untrained employed were reported to be engaged in urban areas, the corresponding percentages for the institutionally and OJT trained were 64.5% and 53% respectively. A cross tabulation of employment status with mode of training indicates relative concentration of the trained as wage employee in comparison to untrained particularly in rural areas. The association gets reversed in case of self employment particularly in urban areas. Similarly a lower fraction of trained opts as unpaid family helper than the untrained. Focusing upon the two modes of training one finds that fraction of those who work as unpaid family helper is higher for pure OJT than their counterparts.

Employment composition of trained versus those without any training indicates that intake of public sector is higher in case of those who reported duration of training than the pure OJT. Reverse is the case of informal employment defined as establishments/enterprises having less than 10 workers. The formal private sector exhibited lower level of participation of trained than the public sector employment.

While the above is indicative of overall low intake of technical or vocationally trained person in the economy a disturbing result being that private formal sector fails to reflect edge over informal sector. In fact it is the public sector employment where fraction of trained is higher than the rest of the economy. This clearly fits in the characterization of the economy by World Employment Report "trapped in the low skill".

## **PARTICIPATION OF YOUTH**

Irrespective of the fact that existing TEVT system is inadequate and limited in its coverage, youth appears to be the major beneficiary of the existing facilities. In case of Technical and Secondary Vocational education where the entry level qualification is matriculation or intermediate, overwhelming majority of the student body can be regarded as youth defined to be falling in the age group of 15-24 years. Polytechnics which increased from 48 in 1989/90 to 53 in 1996/97 reported enrollment of 28000 in 1996/97. Similarly, one finds a rise in the enrollment in the commercial vocational institutions during the same period.

In case of technical and vocational training where various administrative structures proliferate youth also appears to be major beneficiary. The training programmes carried out by private sectors such as Apprenticeship schemes, informal training and training provided by Skill Development Councils which are discussed in the next section mostly induct the unemployed youth for training. National Training Bureau which focuses upon governmental training programmes currently administers about 40 training courses in over 80 institutions with 18000 intake capacity. Most of these courses (See Appendix Table 19) specify entry level qualification as Matriculation with prescribed age group of 16-20 years. These training courses generally pertain to construction, transport, and engineering goods related industries. Information on the actual output of these programmes is not available, however.

## **VOCATIONAL TRAINING FOR WOMEN**

According to Pakistan Economic Survey 1997-98, almost one-half of the secondary vocational institutions with two-fifth of the enrollment serve the female. Vocational training facilities for women in trades such as tailoring/dress making, embroidery, secretarial trades, computer programmer and food processing are available in 2800 institutions with estimated 76000 enrollment capacity. Embroidery Centres of NGOs, Industrial Homes of Social Welfare Departments are the major contributors in this respect. In addition, Ministry of Labour, Education, and Small Industries Corporation are also engaged in provision of training for female. Unfortunately, information on age-distribution of female trainee is not available, though the general impression is that youth accounts for majority of the student body.

## **EMPLOYABILITY OF TRAINED**

Admittedly the fraction of population benefitting from TEVT system is exceedingly low. Employability of even this otherwise limited outflow has been not upto the mark. Unfortunately there has not been any tracer study during the last 15 years to quantify the unemployment among technically and vocationally trained. Based upon the studies pertaining to 1980's the following findings emerge.

1. In case of polytechnic it was found that 50% of the 1985/87 graduates were unemployed as on May 1988 (the time of the survey).
2. Not much is known about the employability of the vocationally trained people either. Study conducted by Labour Department of NWFP "Monitoring Technical Training Centres" in 1984 reported employment of the graduates to be 53%. Manpower Directorate of the Punjab reported unemployment level of 53% among the GVI graduates of 1987. Another study conducted by EMMAY Associates for ILO (ARTEP) found a massive unemployment level ranging between 42% of the trainees belonging to 1986 and 61% relating to the graduates of 1989 (the year of the survey).
3. Evaluative research to assess the impact of the institutional training on employment and earnings of female is almost non-existing. A study focusing upon rural areas of Peshawar District concluded that vocational training imparted by institutions such as embroidery, tailoring, and knitting were more or less inconsequential for employment or earnings of the female trained. Very small proportion of trainees may get jobs but only in other training centres. A large number of trainees may get contract work but with very meagre wages/earnings.
4. Employability of the output of apprenticeship scheme is generally examined by provincial Labour Departments. Studies conducted by DMT Punjab for 1992 yielded that 65% of the trained were employed. An additional 6% were engaged in self employment and 9% were found to be jobless. Around one-fifth of the apprentices could not be traced out.

These studies may have suffered from various procedural flaws but the overriding

impression regarding the employability was hardly appealing. What happened during 1990's when overall unemployment level worsened remains a matter of speculation because hardly any tracer study has been conducted.

On the basis of HIES 1993/94 Irfan (9) however found, better employment prospects for trained than the untrained, both in case of male as well as female. The differential were found to be more pronounced in case of female. In particular the product of informal sector registered lower unemployment rates than those without training or trained in the formal sector.

## **SECTION V**

### **INVOLVING PRIVATE SECTOR - SOME INITIATIVES**

Employers or private sector participation in programmes directly generating employment has been conspicuous by their absence in Pakistan. Employers at the tripartite meetings in the narrow context of industrial relations always lamented upon the labour policy provisions which according to them constitute hindrance. Casualisation of work and emergence of contract labour phenomenon is often viewed by them as a natural labour market adjustment.

Employers and private sector however participate in the provision of education and technical training, as advisers, and as provider both in association with public sector and otherwise. It may be noted that at present roughly half of the primary education in urban areas is in the hands of the private sector. Private sector has been making substantial contribution in other spheres of general as well as technical education. This mode of private sector participation is just like entry of firms into education industry. Existing governmental attitude of laissez-faire with absence of any regulatory structure has generated various problems in the education sector which lie beyond the scope of this paper. However the employers participation in provision and technical training is discussed below.

Notwithstanding the fact that the existing technical and vocational training output in the system is a minuscule, the relevance of the system for the labour market has been questionable. Therefore, efforts have been to enlist the participation and collaboration of the private sector for enhancing the relevance of the vocational training system. In the field of technical and vocational training the private sector participation being of a different mode is discussed below.

The Central Management Committees headed by representatives of private sector employers under National Vocational Training Project were established. Similarly Skill Development Councils have been set up in Punjab and Sindh Provinces to integrate the skill training with market needs. In addition the entire training under Apprenticeship scheme and informal sector is undertaken by employers. These are discussed below.

#### **SKILL DEVELOPMENT COUNCIL**

Establishment of Skill Development Council (SDC) represents initiatives towards participation of private sector in the field of technical and vocational training. Currently three SDCs, Karachi, Lahore and Islamabad are established, as a joint project of Government, World Bank, ILO and Employer's Federation, under the restructured National Vocational Training Project Phase II. Major functions of these councils are to (i) provide a link between employers and training institutions (ii) identification of training needs of the geographical area (iii) analysis and prioritization of training needs and meeting these needs through contracted arrangements with training institutions and establishments for in-plant training (iv) determination and updating of training standard, and (v) promotion of in-plant and other training for benefit of industry.

SDC in Karachi has just completed its third year. Major activities undertaken constitute the completion of training needs survey, preparation of the directory of training institutes and constitution of Trade Technical Committees to develop a need based course outline for the trades of (i) Computer Studies (ii) Industrial Electronics (iii) Textile Technology (iv) Mechanical Maintenance (v) Sales and Marketing and (vi) Secretarial Services. In addition the programmes under Prime Minister's Training Programme (Karachi Package) and Youth Training programme (Full Cost Recovery Basis) have been undertaken. The training was imparted to 611 persons under P.M. Training Programme funded by Federal Government. The details of the programme by trades is reproduced in Appendix Table 23.

Under the Youth Training Programme 601 persons have been trained while 825 are currently under training. Since these courses are being designed on full cost recovery basis, there is also a provision of financial assistance in terms of repayable loans to students which will be repaid after the trainee gets employment. Uptill now rupees one million has been paid to 160 students as financial assistance. The Appendix Table 24 provide details of the trades in which training is imparted.

The SDC, Lahore appears to be engaged in the organization of various skill upgrading programmes in collaboration with different training providers. In addition training programmes for first line supervisors are being arranged. Also it runs programmes in collaboration with British Education and Training System and during the year 1998/99 nearly 500 participants would get Management and Information Technology Training.

### **PUNJAB VOCATIONAL TRAINING COUNCIL (PVTC)**

Punjab Vocational Training Council (PVTC) was incorporated through passing "Punjab Vocational Training Council Act, 1998" on 1st October, 1998 by the Provincial Assembly of the Punjab. The act assigns PVTC the charter to set-up, regulate and manage the Vocational Training Institutes (VTIs) in Punjab. The members of the Council include the Chairman Task Force on Agriculture and Price Control, Chairman Punjab Privatization Board, and prominent businessmen. Provincial Secretaries of the departments of Finance, Zakat and Ushr, and Higher Education serve as ex-officio members. The Secretary, Labour and Manpower is the co-opted Member of the Council. The council is assisted by staff and professionals headed by General Manager. The Punjab Government has granted Rs. 100 million for setting up the council.

Through the establishment of PVTC Zakat funds are to be used to impart demand driven skill training to the deserving persons (mustahqeen) at VTIs. Hence poverty alleviation is sought through skill provision. The VTIs are to be managed by the local business community, the potential employers, with full functional and financial autonomy. In the first phase, at least one VTI will be established in each district, to serve as a focal point for assessing core training needs and guide for further establishment of the VTIs in the district.

The PVTC has so far established two VTIs with an enrollment of around 200 which are being imparted skills in PC's electrician, turner, machinists etc. The class room training will be combined with on the job training in local factory to be arranged by VTI. It is claimed that VTI's are

demand driven and provision of training is based on needs assessment but the procedures underlying needs assessment merit further scrutiny.

It is imperative to assess and evaluate the precise contribution of private sector involvement in TEVT System of the country. The Centre Management Committees (CMCs) with an objective to manage and guide the T.T.C's at local level apparently met with little success. Either the employer could not squeeze time to attend a meeting in some cases and/or the principal of TTC failed to do the necessary homework for fruitful collaboration. Besides the T.T.C's at local level lack requisite autonomy to introduce a change in the curricula, or duration, and entry qualification etc. for a course, hence a private/public collaboration at the level of training centres under the existing centralized dispensation is mostly of academic interest excepting the case when on the job training facilities may be offered by the local employers. Evidence on such an achievement made by any T.T. Centres is not readily available.

The SDC's and recently constituted Punjab's PVTC need to be carefully examined and evaluated in the light of the objectives of the private/public collaboration. While SDC's are essentially implementation of a donor financed project, the Punjab's initiative was due to one time grant and depends upon availability of Zakat fund. Sustainability of these ventures has to be seriously assessed.

The procedure used by SDC to identify training needs be examined. The brochures published by SDC Karachi for Diploma in Textile Weaving under Employment Opportunities for instance reads "The placement cell of SDC and Pakistan Silk and Rayon Mills Association will also provide assistance to trainees in getting employment". Another pamphlet describing computer courses indicates that trainees can get employment in the fields of banking, management, sales and marketing and so on.

The composition of the output of SDC Karachi is dominated by computer related training. Almost 70% of the trainees benefitted in this trade. Given the mushroom growth of the computer training centres in private sector in the major urban centres of Pakistan and the widely held perception that a computer literate can get a job, the exact contribution of SDC has to be identified. Similarly PVTC appears to be a quantum intervention in TEVT. It is advisable to examine the possibilities of improving existing network rather than creating new ones with unproductive duplication.

## **APPRENTICESHIP SCHEME**

Currently the Apprenticeship Ordinance is applicable to the establishments employing 50 or more workers. In 1998 this training was being provided in 525 establishments with capacity to train 9400 persons, while actual enrollment remains unknown. At present 105 apprenticeable trades are notified by NTB. In addition some training also takes place outside the purview of the Apprenticeship Ordinance.

The provincial Labour Departments generally undertake the tracer studies to assess the employability of the output of Apprenticeship Scheme. Studies conducted by DMT Punjab for

1992, for instance yielded that 65% of the passouts were employed either by same employer (47%) or by other employers (17%). Six percent of the passouts got themselves self employed and 9% were jobless or unemployed. Around one fifth (20%) of apprentice, could not be traced.

### **INFORMAL TRAINING (USTAD/SHAGIRD)<sup>1</sup>**

Informal training under traditional ustad/shagird system accounts for majority of the trained work force in the country. However not much is known about this dominant system of training. Limited information available is based on surveys conducted to understand the workings of SSEs in general with focus on training aspect. Chaudhary (4) for instance examined skill generation and entrepreneurship development. The study was based on a survey of cities of Rawalpindi, Gujranwala, Sialkot, Daska, Mian Channu, Lahore and Karachi. Around, 2000 ustads and shagirds of equal proportion belonging to 24 trades were covered in the study. Major findings relating to skill generation are described below.

Most of the ustads/shagirds were moderately educated and had little, if any, formal training. Around 82% of ustads were self employed. The ustads generally acquired skills by working 2 to 4 years as shagird. An abundant supply of shagirds is generally available to ustads. Shagirds acquire skill in 3 to 5 years by working directly with ustads for 8 to 9 hours per day. The author regarded the training period to be unduly extended. The period of unpaid apprenticeship was reported to be around 2 years.

On the average there were 3 shagirds engaged per enterprise covered in the survey, however, the intake of young unskilled shagirds varied by the output and capacity utilization of the enterprise. While shagirds joined the enterprise for learning the skills, ustads may have had different motives such as getting assistance in minor works, looking after the business in addition to transfer of skills. Given the fact that informal sector is a major source of employment, skill generation and entrepreneurship development, more information regarding different aspects is essential. The authors viewed that while new rules and regulations may turn out to be counterproductive because informal sector is a market driven phenomenon, however implementation of existing rules regarding health standards, payment practices may reduce some of the violations.

### **ENLISTING THE PARTICIPATION OF EMPLOYERS**

Currently, the employers in general appear to be little concerned about employment generation in the country. With the possible exception of their limited involvement in technical and vocational training as discussed above hardly any contribution by employers can be identified in this respect. This is worrisome, because under the present orthodoxy the role of the state has been curtailed. In case of Pakistan the problems get more confounded due to external/internal imbalances. Unlike the past, the existing governmental employment generation policies are content

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<sup>1</sup>Ustad is mastercraftsman or trainer while Shagird is trainee.



with provision of credit facilities for self employment generation, as discussed in Section VI.

With the unchecked privatization strides, the employers have to take up responsibilities for employment promotion. Admittedly, it is difficult to envision the specifics in this context, however, few directions as follows, can be suggested:

1. In the field of training the employers not only ensure full implementation of apprenticeship schemes but also enhance the relevance of the existing TEVT system through assessment and anticipation of skill needs and provision of on-the-job training facilities.
2. Admittedly, financial subsidy has never been extended for employment promotion in Pakistan. Employers association may present a case for certain benefits, particularly in small and medium scale industries, as compensation for costs involved is additional employment generation.
3. Employers should make efforts to utilize the educated unemployed in services, marketing of exports and other such service.

## SECTION VI

### STRUCTURAL ADJUSTMENT AND LABOUR MARKET

International experience is suggestive of a major impact of reform programmes on labour market. In case of India estimates indicate almost doubling of unemployment rate during the initial years of reforms implemented in 1991. Adverse effects of the structural adjustment programmes at least during initial years of reform has also been observed in cases of other countries such as Chile, Morocco and Argentina. Not only has there been a rise in unemployment rate particularly in urban areas and among the educated section of the labour force but a shift from formal to informal sector employment has also been observed.

Pakistan's experience in general fits into the above broad characterization. As already discussed unemployment rate has risen during the decade with disproportionate incidence of unemployment being in urban areas and on educated youth. Increased informalisation of employment structure and employment shift away from commodity producing sectors was identified too. Overall employment grew by 14.6% during 1990/97, while the employment growth registered by manufacturing was zero and agriculture ended up with negative growth. Trade, transport and services sector were the major gainers in this respect. In other words labour reallocation from non-tradable to tradable implicit in structural adjustment programmes is yet to be achieved by Pakistan. Below further discussion is focussed on Public Sector Employment and Large Scale Manufacturing to document the employment experience as well as to draw some inferences with respect to impact of the reforms introduced in the 1990's.

#### **Public Sector Employment**

Available information on public sector employment is sketchy and inadequate. Various agencies collect this information but little effort is spent in cross-checking or integration. According to one estimate public sector employment accounted for 7% of the labour force, yielding government employment/population of 2%, not large by international standards.

Structure of government employment and its growth during 1988/97 is provided in Appendix Table 25. As revealed by the table total public sector employment grew by 12% during 1993/97 yielding annual average rate of growth of 4%. During this period, however, the structure of employment experienced substantial changes. For instance the share of Federal Corporations and the provincial shares in employment has gone down for 18% to 15.2% in case of the former and 63.7% to 61.1% in case of the provinces. It may be added that social sector employment appears to be a major component of provincial employment. For example in 1996/97 64.5% of Punjab provincial employees were deployed in social sector (54% in education only).

These data indicate a rise in overall public sector employment more pronounced at Federal level and a decline in the employment of federal corporations during 1993/97. While the latter is explicable because of privatization, federal growth the former result appears little bit interesting and

inexplicable.

Kemal (11) for instance in his exercise "Retrenchment Policies and Labour Shedding in Pakistan" based on 1983/88 provided an estimate that during last three years (1988/91) government employment may have fallen by 9%. In addition it was estimated that freeze on fresh recruitment may have resulted into the decline of 300 thousand in government employment during the same period. Admittedly Kemal's estimated decline is based on indirect estimates worked out on the basis of data on wages and salaries. The growth in government employment provided in Appendix table, to the extent reflects reality, may have been due to compositional changes wherein the low grades employees were hired disproportionately. However, deceleration in the growth of public sector employment is an obvious outcome given the freeze on fresh hiring. Still there is a need to probe further into this aspect because ban on fresh recruitment has been operative during the years under review.

### **Privatization**

The process of privatization of state owned enterprises initiated in 1991. Within the two year period almost 70 units were privatized, subsequently the pace of privatization slowed down due to various factors. Uptill now 103 units have been privatized. Measures to protect the interest of the employees have been introduced while handing over the ownership/management to private sector. These for instance included (i) no lay off during first twelve months (ii) a surplus pool of laid off employees after 12 months will be maintained and Rs. 1000 per month as unemployment benefit was to be paid till such time they get job and (iii) the employees opting for a "golden handshake" would be paid one month's salary for each complete year of service and four months basic salary for each year of service.

Adequate information pertaining to impact of privatization on employment is not available. However, according to some estimates 40% to 45% of employees of the privatized units opted for golden handshake. For instance in case of first 29 enterprises where golden handshake was applied about 5300 employees out of 11000 decided to have golden handshake and were paid around Rs. 616 million (8.5% of the total bid value). The government paid half of this amount, the other half being paid by investor. While golden handshake scheme appears to be a welcome restructuring for investor but in the process the supply of labour must have been inflated because of the addition of those to unemployed who were employed before privatization of the enterprise.

### **Large Scale Manufacturing**

Available information pertaining to large scale manufacturing provided by Census of Manufacturing Industries (CMI) suggests a decline in the number of establishments from 4792 in 1990/91 to 4474 in 1995/96 - a negative growth at the rate of 1.37% per year. Similarly average daily employment registered a decline at the rate of 2% (from 62 thousand to 56 thousands) during the same period. Two major industrial categories - textile and food - which accounted for 60% of the total employment recounted the same story. While the detailed information is not yet available to have more thorough analysis the summary tables of the latter CMI indicate a rise in value of production, value added and value of fixed assets alongwith decline in average daily employment. Does this reflect a demise of marginal firms with higher labour intensity? With the availability of

detailed information these questions can be addressed.

It is admittedly difficult to have a precise account of the effects of reform process on large scale manufacturing. However industrial profits were squeezed due to reduction in maximum tariffs on final products without simultaneous reduction on tariffs on raw materials and other inputs. In addition the three year period to attain a tariff reduction from 92% in 1993 to 50% in 1996/97 was too short to permit industrial restructuring. The recent intended reduction of average tariff rate to 35% is likely to hurt more. In addition interest rate liberalization further added to the costs.

In essence the reform package with ambitious targets has rendered short term costs of adjustment rather burdensome and unbearable. For instance total project and non-project aid being barely sufficient or less than the amortization and repayments of the official loans resulted into negative inflow from abroad. Some improvement due to recent rescheduling through London and Paris Club hardly inspires confidence that a quantum jump needed to extricate the economy from current stagnation has been achieved. Barring exceptional or miraculous developments such as massive inflow of direct investment the medium term prospects for the country are bleak.

### **Labour Market Imbalances and Policies**

The demographic pressures entailed by changing age structures and population growth, suggest that labour force growth will be over 2% or so during the next decade. In the wake of a subdued performance of the economy these are bound to result into massive unemployment and under-employment in the economy. Some projection exercises (see Appendix Table 26) are reflective of the imperviousness of the existing levels of unemployment even under the optimistic conditions of 7% annual growth rate of GDP. An additional disturbing trend being a perceptible shift in the educational composition of unemployed. Not only will the educated suffer from higher level of unemployment but their share in the unemployed rises too. In other words the productive absorption of youth the new entrants to labour market will pose a major challenge to policy makers.

Implementation of structural adjustment programme in the context of low GDP growth during 1990s has had adverse effects on labour market resulting in higher level of unemployment. Youth has been particularly hit on number of counts. In addition to non-availability of jobs, informalization of the job structure and declining real wages have been the unpalatable outcomes. Not only inactivity has increased but the youth is finding it even harder to secure job according to their preference and education. This has been due to poor job growth in the large scale private sector and freeze on hiring in the government employment.

### **Policy Response**

In contradistinction to past the policy makers have limited options to address the problem of unemployment. Neither is it feasible to escalate the employment in the public sector nor major infrastructural construction can be undertaken due to squeeze injected by budgetary considerations.

Policies and measures suggested by the Ministry of Labour and Manpower for the Ninth Five Years Plan (1998-2003) are to promote small scale industries and self employment. In

particular industrial support centres at proper locations to provide services to small scale such as material testing, laboratory etc. provision of a credit fund for rural industries is suggested. Also establishment of entrepreneurial development institutes is recommended for the training of entrepreneurs. Promotion of manpower export is suggested to relieve the labour supply pressures. Finally enhancement in the training capacity is recommended.

### **Youth Employment Policies**

In addition to above mentioned approaches which tend to influence the composition of GDP to enhance labour intensity additional measures envisaged to generate employment opportunities are also being undertaken by the government. Prime Minister's Self-Employment Schemes (SES) and provision of credit by Small Business Finance Corporation (SBFC) constitute some specific measures.

Under the SES, number of commercial banks in addition to SBFC grant loans to unemployed youth and skilled professionals having Degree/Diploma and business experience. Until March 1999, Rs. 3890 million credit has been advanced.

SBFC was set up in 1972 with an objective to develop and promote small business enterprises and small scale industries to alleviate unemployment problem in the country. Under Youth Investment Promotion Society (YIPS) since 1986/87, SBFC also implemented a self employment programme which has now been incorporated into SES discussed above. SBFC, however, advanced Rs. 1552 million to 9383 persons under SES. According to Pakistan Economic Survey (PES), around 28000 job opportunities were generated by these SBFC advances.

Indirectly, youth employment generation is sought through the expansion in social sectors in particular the implementation of Social Action Programme. The new education policy envisages massive expansion in the number of schools. Also worth mentioning in this respect is the programme for Family Planning and Health Care where over one hundred thousand lady health workers are likely to be recruited.

## SECTION VII

### CONCLUDING REMARKS

The 1990's for Pakistan's economy can be characterized as the decade of stagnation, registering lowest GDP growth rate since 1959. While this subdued economic performance was all pervasive manufacturing sector was the worst in this context. Various factors such as low level of investment, transition to low protection regime, overall resource crunch and worsening governance structure are often cited for the poor performance of the economy. In addition the implementation of Structural Adjustment programmes to restore the internal and external balances with extensive menu and ambitious targets also confounded the situation.

Labour market outcomes during the decade were least palatable either. A rise in the unemployment rates, massive inactivity among educated and increasing informalisation of the employment structure have been some of the major results. Major burden of the unemployment problem appears to have fallen on youth particularly educated. Unfortunately the immediate future hardly holds any better prospects. In the medium term revival of economic growth appears to be difficult excepting the case of very favourable developments in the conditions of aid or foreign direct investment. Similarly projection exercises reflect the imperviousness of the existing unemployment rates even under optimistic conditions of 6% annual growth of GDP.

The challenges to policy makers are, therefore, to reactivate growth process in the context of global competition. Export promotion has to be accorded a top priority to address the problems of external imbalances. Low ICOR industries with an emphasis on autonomous productivity growth through careful selection of process and products have to be focussed to generate employment opportunities. Given the preference of the educated unemployed emphasis on promotion of services in private sectors with higher intake of educated has to be laid too.

While there has been some relief on the demographic side, wherein the population growth rate has declined, its impact on supply will be lagged because the entry into labour force is made at the age of 10 years. The changes in the age structure in the wake of declining population growth rate imply that both in terms of absolute size and as a proportion the share of youth and adults in the labour force will rise. During this phase of declining dependency it is imperative to utilize the labour force productively. Education and training policies in this context have to be re-examined too.

At this critical juncture there is a need to clarify the human resource development objectives. Prioritization of the investment in education system is imperative, given a very high level of non-utilization of the educated (degree holders) with bleak prospects for future because the public sector employment, the major employer of degree holders, is not likely to expand in future. In addition a major directional change of the emigration from Middle East to America suggesting a massive brain drain, underscores the need to re-examine the existing high subsidies extended to tertiary level of education. It is probably more important to improve the quality of matriculates and intermediates to be equipped with necessary training to meet the future challenges.

Policy makers should re-examine their expectations with respect to technical and vocational education system. Rather than regarding it as a vehicle to promote employment, its appropriate role should be to release the skill constraints in the strategic reallocation of human resources in the economy.

Ironically while the economic management accords top priority to private sector, the latter has so far failed to make any solid contribution towards employment generation or in the field of education and training. Whatever participation has been achieved in the field of technical and vocational training can hardly be characterized as a major initiative.

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Appendix Table 1

## Growth Indicators 1960/98

Growth Rate (CFC) Av. Annual	1960's	1970's	1980's	1990-98
GDP	6.77	4.84	6.14	4.79
Agriculture	5.07	2.37	4.07	4.58
Manufacturing	9.93	5.5	8.21	5.34
Commodity Producing Sector	6.83	3.88	6.51	4.91
Services Sector	6.74	6.26	6.62	4.68
<b>As % of GDP (MP)</b>				
Total Revenue (Net)	13.1	16.8	17.2	17.3
Total Expenditure	11.6	21.5	24.8	24.0
Development Expenditure	-	-	7.3	5.0
Overall Deficit	2.1	5.3	7.0	6.7
Exports (fob)	-	-	9.81	13.1
Imports (fob)	-	-	18.74	17.8
Trade Deficit	-	-	8.93	4.8
Current Account Deficit	-	-	3.91	4.9

Source: Economic Survey 1998-99.

Appendix Table 2

Trends in Poverty (Head-count Ratios) by Rural and Urban Areas,  
1984-85 - 1998-99

Year	Pakistan	Rural	Urban
1984-85	18.3	21.1	11.1
1987-88	13.1	15.5	6.8
1990-91	22.1	23.6	18.6
1992-93	22.4	23.4	15.5
1993-94	23.6	26.3	19.4
1998-99 (FEI)	32.6	34.8	25.9
1998-99 (CBN)	35.2	39.8	31.7

Source: S.K. Qureshi and G.M. Arif (1999). Micro Impact of Macro Adjustment Policies: Profile of Poverty in Pakistan, 1998-99, PIDE, Islamabad.

Appendix Table 3

## Age-specific Labour Force Participation Rate, 1978/79 to 1996/97

Age Group	Labour Force Surveys										
	1978-79	1982-83	1984-85	1985-86	1986-87	1987-88	1990-91	1991-92	1992-93	1993-94	1996-97
<b>10 years &amp; over</b>											
Both sexes	46.11	44.41	44.22	43.37	44.00	43.22	43.16	42.93	42.34	42.01	43.0
Male	77.34	75.16	77.09	74.76	73.48	73.79	71.27	70.27	69.23	69.07	70.0
Female	11.81	10.27	8.68	9.12	11.90	10.24	12.76	13.98	13.15	13.32	13.6
<b>10-14 years</b>											
Male	36.54	33.03	34.80	30.72	27.66	26.53	19.22	20.14	18.09	16.76	17.2
Female	8.09	8.34	6.58	7.04	8.53	5.45	8.91	8.06	7.81	6.94	7.6
<b>15-19 years</b>											
Male	67.77	65.50	65.51	63.94	89.03	59.33	55.21	53.30	53.11	52.3	52.8
Female	12.10	10.82	8.50	9.36	10.81	10.59	13.18	13.52	12.47	12.1	13.6
<b>20-24 years</b>											
Male	88.13	89.97	89.20	87.80	85.91	86.86	87.72	84.77	83.88	84.9	85.0
Female	12.99	11.67	8.65	7.61	11.32	10.37	13.96	14.08	13.48	14.0	15.1
<b>25-34 years</b>											
Male	96.30	96.73	98.61	96.62	97.27	97.85	97.73	96.96	97.02	97.6	97.2
Female	14.86	12.72	10.37	10.22	13.49	10.98	13.65	15.80	14.51	15.7	13.8
<b>35-44 years</b>											
Male	97.45	97.27	99.00	97.16	97.67	98.40	98.06	98.06	98.30	98.23	98.46
Female	13.74	13.09	11.16	13.28	15.74	15.39	15.57	18.38	16.37	17.11	16.51
<b>45-54 years</b>											
Male	95.65	95.48	98.79	96.61	98.28	96.05	96.05	95.92	95.71	96.00	96.54
Female	12.31	11.31	10.27	10.12	15.49	12.53	17.23	17.41	16.76	17.50	17.51
<b>55-59 years</b>											
Male	91.67	91.00	94.80	90.79	92.21	91.37	90.46	91.75	90.11	91.84	90.13
Female	12.50	9.60	5.70	7.88	11.49	11.01	13.79	14.55	16.62	15.09	19.60
<b>60 years &amp; above</b>											
Male	67.93	65.36	67.04	65.42	63.99	65.47	62.04	60.14	60.71	82.02	63.41
Female	6.12	5.81	4.01	4.63	7.12	5.44	8.69	10.65	9.92	10.01	12.34

Source: Labour Force Surveys. Various Issues.

Appendix Table 4  
Percentage Distribution of Population (Age 10+)  
by Nature of Activity 1990/91, 1993/94 and 1996/97

Age Groups	1990/91					1993/94					1996-97				
	E.	Un-E.	St.	H.W	Ot.	E.	Un-E.	St.	H.W	Ot.	E.	Un-E.	St.	H.W	Ot.
<b>Male:</b>															
<b>All Ages (10+)</b>	68.5	2.7	22.3	0.1	6.4	66.8	2.2	24.4	0.2	6.5	66.7	3.0	23.7	0.6	6.0
Age Groups:															
10-14	18.0	0.6	76.2	0.2	5.0	15.3	0.7	76.9	0.4	6.7	15.0	1.8	77.2	0.4	5.4
15-19	50.8	4.0	43.1	0.1	1.9	48.6	3.0	46.4	0.4	1.7	47.4	5.1	45.3	0.5	1.7
20-24	82.3	5.4	10.1	0.0	2.2	80.1	4.7	13.8	0.1	0.3	79.0	5.9	12.8	0.8	1.3
25-59	94.8	2.1	0.2	0.0	2.9	95.3	1.6	0.5	0.0	2.5	94.9	1.9	0.3	0.6	2.2
60+	58.1	4.1	0.1	0.0	37.7	58.1	4.0	1.5	0.2	36.3	58.4	4.2	-	0.5	37.0
<b>Female:</b>															
<b>All Ages (10+)</b>	10.7	2.0	11.7	69.9	5.6	12.0	1.3	13.3	67.6	5.9	11.1	2.3	14.4	66.8	5.3
10-14	5.9	0.8	47.6	37.3	8.4	6.0	0.8	48.1	34.3	10.8	6.2	1.2	54.3	27.7	10.4
15-19	10.1	2.9	21.6	64.5	0.9	10.7	1.3	24.0	63.0	1.1	10.1	2.8	27.5	58.6	0.9
20-24	11.1	2.8	3.0	82.2	0.9	12.7	1.3	5.9	78.4	1.7	11.8	3.2	5.3	78.8	0.7
25-59	13.2	1.8	0.1	83.1	1.8	15.2	1.2	0.7	81.5	1.3	13.6	2.0	0.7	83.1	1.2
60+	5.1	3.6	0.2	48.7	42.4	7.3	2.7	1.6	50.5	37.9	7.3	4.9	-	51.0	37.3

Tabulations based on L.F.S. data.

Note: E. = Employed  
Un-E. = Un-employed  
St. = Student  
H.W. = House Worker  
Ot. = Other

Appendix Table 5  
Labour Force Participation Rates by Province, Urban & Rural  
by Sex (10 years)

Pakistan & Provinces	All Areas			Rural			Urban		
	Both Sex	Male	Female	Both Sex	Male	Female	Both Sex	Male	Female
Pakistan	43.01	70.01	13.6	43.1	71.8	16.3	38.9	66.5	8.4
Balochistan	38.9	68.9	4.6	40.0	70.9	4.7	34.7	60.6	3.8
NWFP	38.1	65.4	9.4	38.5	65.9	10.2	36.4	63.1	5.7
Punjab	45.2	71.3	17.5	47.8	73.1	20.8	39.9	67.4	10.5
Sindh	40.2	69.4	6.2	42.5	72.7	6.9	38.0	66.0	5.5

Source: L.F.S. 1996/97.

Appendix Table 6  
Percentage Distribution of Employed by Industry

Period	Agriculture	Manufacturing and Mining	Construction	Elec. & Gas	Transport	Trade	Others
1969-70	57.03	15.57	3.93	0.41	4.73	9.89	8.44
1970-71	57.58	15.25	3.60	0.25	4.88	10.89	7.56
1971-72	57.32	12.92	3.41	0.37	4.84	9.89	11.25
1972-73	56.47	13.20	3.66	0.41	4.85	10.27	11.15
1973-74	55.62	13.49	3.92	0.45	4.86	10.67	10.99
1974-75	54.80	13.78	4.20	0.49	4.87	11.09	10.77
1975-76	54.25	13.99	4.37	0.54	4.83	11.09	10.92
1976-77	53.71	14.21	4.55	0.60	4.80	11.09	11.04
1977-78	53.71	14.44	4.73	0.67	4.76	11.08	11.15
1978-79	52.65	14.66	4.92	0.74	4.73	11.08	11.22
1979-80	52.67	14.37	4.89	0.82	4.69	11.29	11.26
1980-81	52.69	14.09	4.86	0.91	4.66	11.50	11.28
1981-82	52.71	13.81	4.83	1.02	4.62	11.72	11.29
1982-83	52.73	13.54	4.80	1.13	4.59	11.94	11.27
1983-84	51.63	13.69	5.18	0.88	4.89	11.74	11.99
1984-85	50.56	13.84	5.60	0.69	5.20	11.54	12.57
1985-86	54.01	13.40	5.24	0.52	4.42	11.40	11.01
1986-87	49.24	14.23	6.01	0.73	5.25	12.05	12.50
1987-88	51.15	12.84	6.38	0.59	4.89	11.93	12.22
1990-91	47.45	12.38	6.62	0.83	5.24	13.24	15.22
1991-92	48.27	12.53	6.33	0.79	5.51	13.10	13.48
1992-93	47.54	10.89	6.94	0.85	5.52	13.31	14.95
1993-94	50.04	10.12	6.50	0.87	4.95	12.78	15.56
1994-95	46.7	10.05	7.21	0.82	5.07	14.50	15.12
1996-97	44.1	11.20	6.75	0.98	5.71	14.62	16.60
(Urban)	(5.6)	(21.2)	(6.6)	(1.75)	(9.4)	(26.4)	(28.0)

Source: Economic Survey, 1996/97.

Parenthesis denote industrial composition of urban areas for 1996-97.

Appendix Table 7

## Pakistan: Percentage Distribution of Employed With Education ,Age Group And Work Place By Industry

EDU /IND.	Agriculture	Mining & Quarrying	Manufacturing	Utilities	Construction	Hole Sales & R	Transport & Commu	Finance,Ins. & B	Community Services	Row Total
<b>Age Group 10-14</b>										
Illiterate	65.9	-	15.4	0	1.9	6.9	2.9	-	6.8	<b>69.6</b>
	(72.9)	-	(67.0)	(100.0)	(66.8)	(60.4)	(65.9)	-	(59.3)	
Primary	55.5	-	18.2	-	2	10.3	3.5	-	10.5	<b>27.7</b>
	(24.4)	-	(31.4)	-	(27.7)	(35.7)	(32.0)	-	(36.5)	
Pre Matric	60.5	-	9.3	-	4	11.5	2.4	-	12.4	<b>2.7</b>
	(2.6)	-	(1.6)	-	(5.5)	(3.9)	(2.1)	-	(4.2)	
<b>Col.Total</b>	<b>(62.9)</b>	<b>-</b>	<b>(16.0)</b>	<b>(0.0)</b>	<b>(2.0)</b>	<b>(8.0)</b>	<b>(3.0)</b>	<b>-</b>	<b>(8.0)</b>	<b>100</b>
<b>Age Group 15-19</b>										
Illiterate	55.3	0	14	0.1	9	8.4	4.5	0.1	8.6	<b>46</b>
	(57.5)	(100.0)	(37.6)	(15.5)	(51.5)	(31.1)	(42.0)	(52.3)	(31.0)	
Primary	37.8	-	21.7	0.1	9.5	12.3	6	0.1	12.5	<b>27.7</b>
	(23.6)	-	(35.1)	(5.6)	(32.6)	(27.6)	(33.8)	(17.5)	(27.1)	
Pre Matric	36.3	-	20.5	1.2	4.8	16.1	4.3	-	16.8	<b>13.8</b>
	(11.3)	-	(16.4)	(45.7)	(8.1)	(17.9)	(12.0)	-	(18.2)	
Matric	27.6	-	16	1	5.4	22.3	5.4	0.1	22.1	<b>11</b>
	(6.9)	-	(10.3)	(30.2)	(7.3)	(19.8)	(12.1)	(13.2)	(19.0)	
Intermediate	20.3	-	7.1	0.7	2.2	29	-	1.3	39.4	<b>1.5</b>
	(0.7)	-	(0.6)	(3.0)	(0.4)	(3.6)	-	(17.0)	(4.7)	
<b>Col.Total</b>	<b>(44.2)</b>	<b>(0.0)</b>	<b>(17.1)</b>	<b>(0.4)</b>	<b>(8.1)</b>	<b>(12.4)</b>	<b>(4.9)</b>	<b>(0.1)</b>	<b>(12.8)</b>	<b>100</b>

<b>Age Group 20-24</b>										
Illiterate	55.3	0	11.7	0.3	10.3	8.2	6	-	8.1	<b>38.4</b>
	(57.7)	(7.8)	(31.9)	(15.2)	(51.3)	(19.9)	(36.0)	-	(17.7)	
Primary	35.7	0.2	16.6	0.5	9	16.1	8.3	0.1	13.5	<b>20.4</b>
	(19.8)	(34.9)	(24.1)	(13.0)	(23.8)	(20.6)	(26.6)	(2.6)	(15.6)	
Pre Matric	24.1	0.1	18	1	7.7	23.3	8.4	0.3	17	<b>13.1</b>
	(8.6)	(11.5)	(16.8)	(18.2)	(13.1)	(19.1)	(17.3)	(7.0)	(12.7)	
Matric	23.7	0.4	13.2	0.8	4.5	23.2	5.4	1.2	27.6	<b>17.8</b>
	(11.4)	(45.8)	(16.7)	(20.6)	(10.3)	(26.0)	(15.0)	(32.7)	(27.9)	
Intermediate	11.5	-	13.9	2.4	1.6	27.5	3.1	2	38	<b>6.6</b>
	(2.1)	-	(6.5)	(22.1)	(1.3)	(11.4)	(3.2)	(21.3)	(14.3)	
Degree	3.4	-	15	2.2	0.4	13.4	3.2	6.5	56	<b>3.5</b>
	(0.3)	-	(3.7)	(10.8)	(0.2)	(3.0)	(1.8)	(36.3)	(11.2)	
Post Graduate	11.6	-	21.1	-	-	5.8	-	-	61.4	<b>0.2</b>
	(0.1)	-	(0.3)	-	-	(0.1)	-	-	(0.6)	
<b>Col.Total</b>	<b>(36.8)</b>	<b>(0.1)</b>	<b>(14.1)</b>	<b>(0.7)</b>	<b>(7.7)</b>	<b>(15.9)</b>	<b>(6.4)</b>	<b>(0.6)</b>	<b>(17.6)</b>	<b>100</b>
<b>Age Group 25-29</b>										
Illiterate	56.3	0.2	9.4	0.3	10.2	10.4	6.1	0.2	7	<b>45.4</b>
	(67.6)	(64.9)	(38.1)	(10.5)	(64.1)	(29.8)	(42.6)	(5.2)	(16.9)	
Primary	37.6	-	13	1.1	7.5	20.3	9.6	0.2	10.7	<b>17.4</b>
	(17.3)	-	(20.2)	(16.2)	(18.1)	(22.4)	(25.4)	(2.2)	(10.0)	
Pre Matric	30.4	-	12	2.1	5.9	20.3	8.1	0.4	20.8	<b>9.3</b>
	(7.5)	-	(9.9)	(16.9)	(7.6)	(11.9)	(11.6)	(2.9)	(10.3)	
Matric	16.1	-	11.2	2.3	3.5	24.1	4.2	2	36.5	<b>13.1</b>
	(5.6)	-	(13.0)	(26.6)	(6.4)	(20.0)	(8.5)	(19.3)	(25.6)	
Intermediate	7.3	-	13.1	3	2.5	19.1	7	2.1	45.7	<b>7</b>
	(1.4)	-	(8.2)	(18.3)	(2.5)	(8.5)	(7.5)	(10.9)	(15.8)	
Degree	4	0.8	14.8	1.6	1.3	16.8	3.3	11.5	45.7	<b>6.5</b>
	(0.7)	(35.1)	(8.5)	(9.2)	(1.1)	(6.9)	(3.3)	(54.7)	(15.8)	
Post Graduate	1	-	18	2	1.4	5.4	5.9	5	61.3	<b>1.3</b>
	(0.0)	-	(2.1)	(2.3)	(0.3)	(0.4)	(1.2)	(4.8)	(4.3)	
<b>Col.Total</b>	<b>(37.8)</b>	<b>(0.1)</b>	<b>(11.2)</b>	<b>(1.2)</b>	<b>(7.2)</b>	<b>(15.8)</b>	<b>(6.5)</b>	<b>(1.4)</b>	<b>(18.7)</b>	<b>100</b>

<b>Age Group 30+--</b>										
Illiterate	60.6	0.1	7.1	0.3	8.2	10.5	4.6	0.2	8.3	<b>58.3</b>
	(78.7)	(39.4)	(47.1)	(15.1)	(70.2)	(40.4)	(46.1)	(7.7)	(30.6)	
Primary	36.9	0	10.1	0.9	7.7	21.8	8.2	0.6	13.6	<b>14.8</b>
	(12.2)	(3.5)	(17.1)	(10.9)	(16.8)	(21.3)	(20.8)	(7.6)	(12.7)	
Pre Matric	27.4	0.1	11.5	2.3	5	25.9	7.9	0.8	18.9	<b>8</b>
	(4.9)	(9.7)	(10.5)	(15.7)	(5.9)	(13.7)	(10.8)	(5.2)	(9.6)	
Matric	14.4	0.1	12.1	3.5	3	24.4	7.9	2.1	32.1	<b>9.4</b>
	(3.0)	(9.7)	(12.9)	(27.9)	(4.2)	(15.1)	(12.7)	(15.9)	(19.0)	
Intermediate	7.9	0.2	10.6	3.1	2.9	19.5	6.9	5.7	43.2	<b>3.9</b>
	(0.7)	(7.7)	(4.7)	(10.0)	(1.6)	(5.0)	(4.6)	(18.1)	(10.6)	
Degree	4.4	0.7	13	4.8	1.6	14	5.6	9.4	46.4	<b>4.4</b>
	(0.4)	(26.7)	(6.4)	(17.5)	(1.0)	(4.0)	(4.2)	(33.3)	(12.7)	
Post Graduate	3	0	10.1	2.6	1.1	6.5	4	12	60.5	<b>1.3</b>
	(0.1)	(0.3)	(1.4)	(2.8)	(0.2)	(0.5)	(0.9)	(12.3)	(4.8)	
<b>Col.Total</b>	<b>(44.9)</b>	<b>(0.1)</b>	<b>(8.8)</b>	<b>(1.2)</b>	<b>(6.8)</b>	<b>(15.2)</b>	<b>(5.9)</b>	<b>(1.2)</b>	<b>(15.9)</b>	<b>100</b>

Source: Labour Force Survey 1996-97.  
 Parenthesis denote column wise percentage distribution.

Appendix Table 8

## Pakistan: Percentage Distribution of Employed by Age and Sex

Occupation	Age Groups														
	10-14			15-19			20-24			25-29			30+		
	Both Sex	Male	Female	Both Sex	Male	Female	Both Sex	Male	Female	Both Sex	Male	Female	Both Sex	Male	Female
Legislators	2.0	2.4	1.0	4.1	4.5	1.6	7.1	8.0	1.0	8.8	9.8	0.9	10.5	11.6	2.4
Professionals	0.1	-	0.3	0.9	0.7	1.7	4.2	3.0	12.5	5.1	3.7	15.1	3.9	3.7	5.3
Technicians	0.6	0.7	0.1	1.4	1.2	2.7	3.0	2.5	6.4	4.3	3.9	7.2	2.9	2.8	3.7
Clerks	0.3	0.3	0.2	1.3	1.5	0.1	2.8	3.1	1.0	4.7	5.4	0.0	3.1	3.4	0.3
Service Workers	5.9	6.5	4.2	8.9	9.5	5.4	9.8	10.9	2.5	7.1	7.7	3.1	7.4	7.7	5.2
Skilled Agriculture	52.4	53.9	48.2	36.6	35.5	42.7	31.0	29.1	43.3	31.8	29.5	47.8	37.4	35.3	52.8
Crafts and Related	13.3	11.9	17.5	16.2	15.0	22.8	12.6	12.7	12.1	9.3	9.6	7.1	8.1	8.3	6.1
Machine Operator	2.1	2.8	0.2	4.6	5.4	0.4	5.5	6.2	0.6	5.9	6.8	-	4.8	5.4	0.2
Elem. Occupations	23.3	21.5	28.3	25.9	26.5	22.6	24.0	24.5	20.5	23.1	23.7	18.7	22.0	21.7	24.1

Source: LFS 1996/97



Appendix Table 9  
Pakistan: Percentage Distribution of Employed by Informal/Formal Sector  
By Sex and Age Group

Informal, Formal/Age	10-14	15-19	20-24	25-29	30+	Row Total
<b>Both Sex</b>						
Informal	7.8 (93.7)	15.4(93.4)	15(93.7)	11.4 (93.0)	50.4(93.0)	<b>93.2</b>
Formal 10 or More Worker	7.2(6.3)	15(6.6)	13.9(6.3)	11.7(7.0)	52.1(7.0)	<b>6.8</b>
	100	100	100	100	100	
<b>Col.Total</b>	<b>(7.8)</b>	<b>(15.4)</b>	<b>(14.9)</b>	<b>(11.4)</b>	<b>(50.5)</b>	<b>100</b>
<b>Male</b>						
Informal	7(94.7)	15.7(93.8)	15.8(94.0)	11.7(92.6)	49.8 (93.3)	<b>93.5</b>
Formal 10 or More Worker	5.6(5.3)	14.9(6.2)	14.4(6.0)	13.4(7.4)	51.6(6.7)	<b>6.5</b>
	100	100	100	100	100	
<b>Col.Total</b>	<b>(6.9)</b>	<b>(15.6)</b>	<b>(15.7)</b>	<b>(11.9)</b>	<b>(49.9)</b>	<b>100</b>
<b>Female</b>						
Informal	11.5(91.1)	14.3(91.6)	11.5(91.7)	9.7(95.3)	53(91.9)	<b>92.1</b>
Formal 10 or More Worker	13(8.9)	15.2(8.4)	12.1(8.3)	5.6(4.7)	54.1(8.1)	<b>7.9</b>
	100	100	100	100	100	
<b>Col.Total</b>	<b>(11.6)</b>	<b>(14.4)</b>	<b>(11.5)</b>	<b>(9.4)</b>	<b>(53.1)</b>	<b>100</b>
<b>Urban: Male</b>						
Informal	3.6(92.8)	11.9(92.5)	14.7(92.6)	11.8(91.4)	58(93.1)	<b>92.8</b>
Formal 10 or More Worker	3.6(7.2)	12.3(7.5)	15.2(7.4)	14.2(8.6)	54.8(6.9)	<b>7.2</b>
	100	100	100	100	100	
<b>Col.Total</b>	<b>(3.6)</b>	<b>(11.9)</b>	<b>(14.8)</b>	<b>(12.0)</b>	<b>(57.7)</b>	<b>100</b>
<b>Urban: Female</b>						
Informal	7.6(86.8)	18.9(93.8)	14.8(82.5)	10.9(87.1)	47.8(89.8)	<b>88.6</b>
Formal 10 or More Worker	9(13.2)	9.7(6.2)	24.4(17.5)	12.5(12.9)	44.5(10.7)	<b>11.4</b>
	100	100	100	100	100	
<b>Col.Total</b>	<b>(7.8)</b>	<b>(17.9)</b>	<b>(15.9)</b>	<b>(11.0)</b>	<b>(47.4)</b>	<b>100</b>
<b>Rural: Male</b>						
Informal	9(95.2)	17.8(94.3)	16.4(94.8)	11.7(93.4)	45.1(93.4)	<b>93.9</b>
Formal 10 or More Worker	7.1(4.8)	16.8(5.7)	13.9(5.2)	12.9(6.6)	49.4(6.6)	<b>6.1</b>
	100	100	100	100	100	
<b>Col.Total</b>	<b>(8.9)</b>	<b>(17.8)</b>	<b>(16.3)</b>	<b>(11.8)</b>	<b>(45.3)</b>	<b>100</b>
<b>Rural: Female</b>						
Informal	12.1(91.6)	13.6(91.2)	10.9(94.0)	9.5(96.9)	53.9(92.3)	<b>92.7</b>
Formal 10 or More Worker	14.1(8.4)	16.6(8.8)	8.9(6.0)	3.8(3.1)	56.6(7.7)	<b>7.3</b>
	100	100	100	100	100	
<b>Col.Total</b>	<b>(12.2)</b>	<b>(13.8)</b>	<b>(10.8)</b>	<b>(9.1)</b>	<b>(54.1)</b>	<b>100</b>

Source: Labour Force Survey 1996-97.

Parenthesis denote the percentage of the respective column.

Appendix Table 10

Percentage of Employed by Age Group, Education and Work Place.

Edu / Work Place	At Own Dwelling	Employees House	On The Street	On Country Side	In Shop/Business	Row Total
<b>Age Group 10-14</b>						
Illiterate	14.6	2.2	3.7	63	16.5	<b>69.6</b>
	(71.0)	(72.4)	(74.3)	(73.6)	(55.8)	
Primary	13.9	1.8	2.8	52.1	29.5	<b>27.7</b>
	(26.8)	(23.5)	(22.5)	(24.2)	(39.7)	
Pre Matric	11.6	3.2	4	47.3	34	<b>2.7</b>
	(2.2)	(4.1)	(3.1)	(2.2)	(4.5)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(14.3)</b>	<b>(2.1)</b>	<b>(3.4)</b>	<b>(59.5)</b>	<b>(20.6)</b>	<b>100</b>
<b>Age Group 15-19</b>						
illiterate	14.4	7	4.1	54.9	19.7	<b>46</b>
	(52.0)	(55.9)	(47.5)	(57.2)	(27.1)	
Primary	11.9	5.8	4.4	38.9	38.8	<b>27.7</b>
	(26.0)	(27.8)	(31.2)	(24.4)	(32.2)	
Pre Matric	10.6	4.1	2.4	34.7	48.2	<b>13.8</b>
	(11.5)	(9.7)	(8.2)	(10.8)	(19.9)	
Matric	10.2	3.2	4.5	27.4	54.7	<b>11</b>
	(8.8)	(6.0)	(12.7)	(6.8)	(18.0)	
Intermediate	13.3	2.2	0.7	20	63.8	<b>1.5</b>
	(1.6)	(0.6)	(0.3)	(0.7)	(2.9)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(12.7)</b>	<b>(5.8)</b>	<b>(3.9)</b>	<b>(44.1)</b>	<b>(33.4)</b>	<b>100</b>
<b>Age Group 20-24</b>						
illiterate	10.7	8.1	3.9	55.4	21.9	<b>38.4</b>
	(38.7)	(58.9)	(43.8)	(54.7)	(20.2)	
Primary	9.2	5	4.9	40.6	40.3	<b>20.4</b>
	(17.7)	(19.3)	(29.5)	(21.2)	(19.7)	
Pre Matric	10.2	4.6	3.9	30.9	50.3	<b>13.1</b>
	(12.6)	(11.4)	(15.2)	(10.4)	(15.8)	
Matric	12.8	2.7	1.8	23.8	58.9	<b>17.8</b>
	(21.5)	(8.9)	(9.4)	(10.9)	(25.1)	
Intermediate	9.9	1	1.1	14.1	73.9	<b>6.6</b>
	(6.1)	(1.2)	(2.2)	(2.4)	(11.7)	
Degree	8.7	0.6	-	4.4	86.3	<b>3.5</b>
	(2.9)	(0.4)	-	(0.4)	(7.3)	
Post Graduate	26.9	-	-	-	73.1	<b>0.2</b>
	(0.5)	(-)	-	-	(0.3)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(10.6)</b>	<b>(5.3)</b>	<b>(3.4)</b>	<b>(38.9)</b>	<b>(41.7)</b>	<b>100</b>

Age Group 25-29						
illiterate	10.6	6	4.9	58.7	19.7	<b>45.4</b>
	(47.4)	(62.0)	(54.7)	(64.9)	(22.3)	
Primary	10	4.7	5.3	40.7	39.4	<b>17.4</b>
	(17.0)	(18.5)	(22.5)	(17.2)	(17.0)	
Pre Matric	6.8	4.9	4.2	34.3	49.7	<b>9.3</b>
	(6.2)	(10.4)	(9.6)	(7.8)	(11.5)	
Matric	10.9	2.5	2.8	21.3	62.4	<b>13.1</b>
	(14.1)	(7.4)	(9.2)	(6.8)	(20.3)	
Intermediate	14.6	0.2	2.1	12.4	70.7	<b>7</b>
	(10.0)	(0.3)	(3.7)	(2.1)	(12.3)	
Degree	6.2	0.9	0.1	7.4	85.3	<b>6.5</b>
	(3.9)	(1.4)	(0.2)	(1.2)	(13.7)	
Post Graduate	10.2	-	-	1	88.8	<b>1.3</b>
	(1.3)	-	(-)	(0.0)	(2.9)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(10.2)</b>	<b>(4.4)</b>	<b>(4.1)</b>	<b>(41.1)</b>	<b>(40.3)</b>	<b>100</b>
Age Group 30+--						
illiterate	12.2	6.2	4.3	59.3	18	<b>58.3</b>
	(65.1)	(73.3)	(65.1)	(75.9)	(30.2)	
Primary	9.5	5.5	4.5	40	40.5	<b>14.8</b>
	(12.9)	(16.5)	(17.1)	(13.0)	(17.3)	
Pre Matric	9.2	4.2	4.4	30.9	51.3	<b>8</b>
	(6.7)	(6.8)	(9.2)	(5.4)	(11.8)	
Matric	8.9	1.3	2.6	18.1	69.2	<b>9.4</b>
	(7.6)	(2.5)	(6.3)	(3.7)	(18.6)	
Intermediate	9	1	1.5	12.4	76	<b>3.9</b>
	(3.2)	(0.8)	(1.6)	(1.1)	(8.5)	
Degree	7.7	0	0.3	7.4	84.5	<b>4.4</b>
	(3.1)	(0.0)	(0.4)	(0.7)	(10.6)	
Post Graduate	11.8	0.4	1.2	3.4	83.2	<b>1.3</b>
	(1.4)	(0.1)	(0.4)	(0.1)	(3.0)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(10.9)</b>	<b>(4.9)</b>	<b>(3.9)</b>	<b>(45.5)</b>	<b>(34.8)</b>	<b>100</b>

Appendix Table 11  
Monthly Wage of Wage Employee by Age and Education

Rs/Month

Age	Education				
	Average	Illiterate	Primary but less than matric	Matric but less than graduate	BA+
<b>PAKISTAN</b>					
10-14	1203.71	1256.12	1053.95	-	-
15-19	2106.18	1849.82	2242.16	2214.33	-
20-24	2791.11	2423.04	2744.96	2727.17	3772.61
25-29	3490.21	2789.17	2891.00	3414.18	4978.28
30+--	4182.41	2683.11	3231.07	4134.64	7646.90
<b>RURAL</b>					
10-14	1196.07	1272.24	918.40	-	-
15-19	2006.65	1702.37	2152.41	2242.71	-
20-24	2484.60	2051.67	2375.01	2762.06	3183.63
25-29	2935.73	2432.06	2694.63	2961.07	4326.05
30+--	3167.44	2427.15	2956.96	3431.49	5629.76
<b>URBAN</b>					
10-14	1219.96	1214.59	1229.84	-	-
15-19	2227.80	2086.10	2337.82	2183.51	-
20-24	3054.91	2976.43	3044.92	2697.27	3976.83
25-29	3970.39	3186.01	3182.72	3782.28	5240.60
30+--	4978.11	3011.12	3502.11	4620.85	8268.08

Source: L.F.S. 1996/97. (Tabulations based on raw data).

Appendix Table 12

## Unemployment and Underemployment Rates, 1968/69 to 1996/97

Period	Unemployment Rate			Underemployment Rate
	All Areas	Rural	Urban	Working Less than 35 hours/week -- all areas
1968/69	2.1	1.7	3.5	14.0
1969/70	2.0	1.8	2.9	8.3
1970/71	1.8	1.4	3.0	7.2
1971/72	2.0	1.7	3.7	8.4
1974/75	1.7	1.3	2.7	4.8
1978/79	3.5	3.0	5.2	13.0
1982/83	3.9	3.3	5.8	14.0
1984/85	3.7	2.9	5.7	9.2
1985/86	3.6	3.1	5.0	9.4
1986/87	3.1	2.5	4.5	10.0
1992/93	4.7	4.3	5.8	12.8
1993/94	4.8	4.2	6.5	13.2
1994/95	5.4	4.8	6.9	12.2
1996/97	6.1	5.7	7.2	11.5

Source: Labour Force Surveys.

Appendix Table 13

Unemployment Rate by Age, Sex and Area in 1996/97

Age Groups	Pakistan			Rural			Urban		
	Both Sex	Male	Female	Both Sex	Male	Female	Both Sex	Male	Female
10-14	12.46	11.13	16.00	10.54	9.01	14.19	20.85	19.00	30.00
15-19	11.79	9.69	21.77	10.94	8.69	20.55	14.04	12.16	26.41
20-24	9.16	6.99	21.41	7.67	5.94	17.02	12.09	9.02	31.20
25-29	5.91	4.11	17.12	6.02	4.33	15.30	5.69	3.70	22.53
30+	4.05	2.27	15.29	3.91	2.09	13.49	4.36	2.64	22.89

Source: L.F.S. 1996-97

Appendix Table 14

Inactivity Rates of Graduates by Discipline: 1993/95

Graduates	1993/94			1994/95		
	Both	Male	Female	Both	Male	Female
Engineers	21	12	66	13.6	10.5	33
Medical Doctors	11	-	50	12.5	14.3	50
All other Graduates	33	17	76	32.6	15.6	71
Post Graduates	18	9	10	17.0	6.0	56

**Appendix Table 15**  
**PAKISTAN: Percentage Distribution of Unemployed by Age,**  
**and Area by Preferred Type of Employment.**

	Age /Job.	Full Time Govt.Empl.	Private Employee	Part Time Employee	Self Employed	Other Employment	Row Total
	10-14	0.9	11.9	2.9	5.3	19.3	
		(7.7)	(35.9)	(2.5)	(9.8)	(44.1)	<b>-6</b>
	15-19	32.3	27.6	19	25.6	28.2	
		(57.1)	(17.0)	(3.3)	(9.5)	(13.1)	<b>-29.5</b>
<b>Both Sex</b>	20-24	42.5	26.5	11.2	14.4	11	
		(72.3)	(15.7)	(1.9)	(5.2)	(4.9)	<b>-30.6</b>
	25-29	17.9	13.1	20.5	13.9	10.9	
		(59.1)	(15.0)	(6.7)	(9.6)	(9.5)	<b>-15.8</b>
	30+	6.4	20.8	46.4	40.8	30.6	
		(18.4)	(20.7)	(13.2)	(24.6)	(23.0)	<b>-18.2</b>
		100	100	100	100	100	
	<b>Col. Total</b>	<b>52</b>	<b>18.1</b>	<b>5.2</b>	<b>11</b>	<b>13.7</b>	<b>100</b>
	10-14	0.3	12.7	11.1	-	20.6	
		(4.8)	(67.7)	(3.5)	-	(24.0)	<b>(4.5)</b>
	15-19	34	26.5	27.3	21.8	30.2	
		(70.2)	(20.4)	(1.2)	(3.1)	(5.1)	<b>-31.3</b>
<b>Male</b>	20-24	40.8	27.7	1.2	14.1	14.3	
		(76.6)	(19.4)	(0)	(1.8)	(2.2)	<b>(34.4)</b>
	25-29	18.1	12.3	24.4	7.1	5.4	
		(75)	(19.0)	(2.2)	(2.0)	(1.8)	<b>(15.7)</b>
	30+	6.8	20.8	36	57	29.5	
		(31.4)	(35.7)	(3.7)	(18.2)	(11.0)	<b>(14.0)</b>
		100	100	100	100	100	
	<b>Col. Total</b>	<b>64.7</b>	<b>24.1</b>	<b>1.4</b>	<b>4.5</b>	<b>5.3</b>	<b>100</b>
	10-14	3.1	6.6	1.1	7.2	18.8	
		(10.4)	(5.6)	(1.5)	(19.1)	(63.3)	<b>(8.6)</b>
	15-19	25.6	34.4	17.2	46.9	27.5	
		(28.6)	(9.6)	(7.9)	(23.4)	(30.5)	<b>(26.1)</b>
<b>Female</b>	20-24	49.3	19.8	13.3	14.5	10	
		(61.0)	(6.1)	(6.8)	(14.0)	(12.2)	<b>(23.6)</b>
	25-29	17	17.9	19.7	16.3	12.7	
		(31.0)	(8.1)	(14.7)	(23.1)	(23.0)	<b>(16.0)</b>
	30+	5	21.2	48.7	35	30.9	
		(5.7)	(6.0)	(22.7)	(30.9)	(34.8)	<b>(25.7)</b>
		100	100	100	100	100	
	<b>Col. Total</b>	<b>29.2</b>	<b>7.2</b>	<b>12</b>	<b>22.7</b>	<b>28.9</b>	<b>100</b>

**Source: Labour Force Survey 1996-97.**

**Parenthesis denote the percentage of the respective row.**

Appendix Table 16

## Pakistan: Changing Age Structure 1998-2003

Years	% Of Population Aged 10-14			% Of Population Aged 15-20			% Of Population Aged 21-25		
	Total	Males	Females	Total	Males	Females	Total	Males	Females
1998	12.18	12.02	12.36	11.57	11.52	11.63	8.06	8.20	7.91
1999	12.03	11.86	12.22	12.01	11.94	12.09	7.91	8.02	7.80
2000	11.93	11.75	12.13	12.31	12.22	12.41	7.93	8.00	7.85
2001	11.86	11.67	12.07	12.52	12.41	12.63	8.04	8.08	7.99
2002	11.81	11.61	12.01	12.65	12.53	12.79	8.20	8.22	8.18
2003	11.74	11.55	11.95	12.75	12.62	12.90	8.36	8.36	8.37
2004	11.69	11.50	11.89	12.81	12.66	12.97	8.56	8.54	8.58
2005	11.65	11.47	11.84	12.79	12.63	12.96	8.81	8.77	8.85
2006	11.61	11.43	11.79	12.74	12.57	12.92	9.07	9.01	9.12
2007	11.55	11.39	11.72	12.68	12.51	12.87	9.29	9.23	9.37
2008	11.47	11.32	11.63	12.64	12.47	12.83	9.45	9.36	9.56
2009	11.36	11.23	11.49	12.63	12.45	12.81	9.53	9.44	9.62
2010	11.22	11.13	11.33	12.61	12.44	12.79	9.56	9.47	9.66
2011	11.08	11.01	11.16	12.59	12.43	12.77	9.56	9.46	9.67
2012	10.93	10.88	10.98	12.56	12.41	12.73	9.56	9.45	9.67
2013	10.78	10.74	10.81	12.50	12.36	12.66	9.56	9.45	9.68
2014	10.62	10.60	10.65	12.42	12.30	12.55	9.58	9.46	9.70
2015	10.46	10.45	10.49	12.32	12.23	12.43	9.60	9.48	9.72
2016	10.30	10.28	10.32	12.21	12.14	12.28	9.61	9.50	9.73
2017	10.14	10.12	10.16	12.09	12.04	12.14	9.61	9.50	9.73
2018	9.97	9.95	9.99	11.96	11.93	11.99	9.60	9.49	9.70
2019	9.80	9.78	9.81	11.82	11.81	11.83	9.56	9.48	9.66
2020	9.62	9.60	9.63	11.67	11.67	11.66	9.53	9.45	9.60
2021	9.44	9.43	9.45	11.51	11.52	11.50	9.47	9.42	9.53
2022	9.26	9.25	9.27	11.35	11.36	11.33	9.40	9.36	9.43
2023	9.07	9.07	9.07	11.18	11.18	11.18	9.29	9.29	9.30

Source: Table based on tentative projections made by Ministry of Population.



Appendix Table 17

Appendix Table 18

TEVT, Institutions and Capacity: Type and Output Capacity - 1992

	Certification	Duration	1991-92	
			No. of Institutes	Output

**ORGANISATION**

**(a) Directorate of Technical Education**

1. Polytechnic and Colleges of Technology	D.A.E and B. Tech.	3 Years	62 (9)	35700
2. Commercial Training Institutes	I.Com. D. Com.	1 Year 2 Years	189	28500
3. Govt. Vocational Institutes	Certificate		185 (165)	13000 (9000)

**(b) Directorate of Manpower and Training (Labour)**

1. T.T.C. and G.V.Is			73	11600
(c) Dte. of Social Welfare			2467 (415)	68200 (6200)
(d) Small Industries Corporation			306	9500
(e) Agriculture ABAD etc.			54	3170
(f) Industries			5	240
(g) ILO/UNHCR			12	640
(h) OPF			6	400
(i) Staff Welfare Organisation			14	1260
(j) Staff Railway, WAPDA, T&T etc.			43	11350
(k) Paramedical Staff Training			7	160
<b>Total Institutions</b>			<b>3172</b>	<b>119520</b>

Informal (guesstimated) 120000

Source: Ministry of Education, GOP and Asian Development Bank, Manila (1992). "Technical Education and Vocational Training in Pakistan.

( ) report the female share.

Appendix Table 19

## List of Technical Training Courses being Provided by NTB

Name of Trade	Duration of Course	Entry Qualification	Age
1. Armature Winder	12 months	Matric	16-20 years
2. Architectural Drafting	12 & 24 months	Matric	16-20 years
3. Auto Body Denter	12 months	Middle	16-20 years
4. Auto Electrician	12 months	Middle	16-20 years
5. Auto Body Spray Painter	12 months	Middle	16-20 years
6. Bench Fitter	12 & 24 months	Middle	16-20 years
7. Bricklayer/Mason	12 months	Middle	16-20 years
8. Building Painter	12 months	Middle	16-20 years
9. Carpenter	12 & 24 months	Middle	16-20 years
10. Carpenter Sports Goods	12 months	Middle	16-20 years
11. Construction Machinery Operator	12 months	Matric	16-20 years
12. Const. Machinery Mechanic (C)	12 months	Matric	16-20 years
13. Construction Machubert (En)	12 months	Matric	16-20 years
14. Computer System Operator	12 months	Matric	16-20 years
15. Draughtsman (Civil)	12 & 24 months	Matric	16-20 years
16. Draughtsman (Mechanical)	12 & 24 months	Matric	16-20 years
17. Dress Maker & Dress Designer	12 months	Matric	16-20 years
18. Electrical Wireman/Electric	12 & 24 months	Matric	16-20 years
19. Hospital Technician	12 months	Matric	16-20 years
20. Household Appliance Rep.	12 months	Matric	16-20 years
21. Instrument Mechanic	12 & 24 months	Matric	16-20 years
22. Industrial Electrician	12 & 24 months	Matric	16-20 years
23. Leather Sports Goods	12 months	Matric	16-20 years
24. Machinist	12 & 24 months	Matric	16-20 years
25. Motor Vehicle Mechanic (L)	12 & 24 months	Middle	16-20 years
26. Motor Vehicle Mechanic (H)	12 & 24 months	Middle	16-20 years
27. Multi Skill Training	12 months	Matric	16-20 years
28. Multiwright Fitter	12 & 24 months	Matric	16-20 years
29. Plumbing/Sanitary Installer	12 & 24 months	Middle	16-20 years
30. Radio/T.V. Mechanic	12 & 24 months	Matric	16-20 years
31. RAC Mechanic	12 & 24 months	Matric	16-20 years
32. Sheet Metal Worker	12 months	Middle	16-20 years
33. Surgical Equipment Mechanic	12 months	Matric	16-20 years
34. Shuttering (Mono Level)	06 months	Middle	16-20 years
35. Steel Fixer	06 months	Middle	16-20 years
36. Tailoring	12 months	Middle	16-20 years
37. Textile Fitter Spinning	12 months	Matric	16-20 years
38. Turner	12 & 24 months	Middle	16-20 years
39. Tractor Mechanic	12 months	Middle	16-20 years
40. Welding (Acr & Gas)	12 & 18 months	Middle	16-20 years

Source: Technical Unit, M/O Labour, Manpower and Overseas Pakistanis, Government of Pakistan. A Handbook on Manpower and Employment in Pakistan, 1998.

Appendix Table 20

Pakistan: Percentage Distribution of Having or  
not Having Technical Training by Age and by Sex.

Edu/Age.	10-14	15-19	20-24	25-29	30+	Row Total
Both Sex						
YES.	4.4	15.5	18.2	13.1	48.8	<b>3.8</b>
	(0.9)	(4.0)	(6.3)	(5.3)	(4.0)	
NO.	19.7	14.7	10.6	9.2	45.8	<b>96.2</b>
	(99.1)	(96.0)	(93.7)	(94.7)	(96.0)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(19.1)</b>	<b>(14.7)</b>	<b>(10.9)</b>	<b>(9.3)</b>	<b>(45.9)</b>	<b>100</b>
Male						
YES.	3.6	13	17.4	13	53	<b>5.5</b>
	(1.0)	(4.6)	(9.0)	(8.5)	(6.3)	
NO.	20.8	15.4	10.1	8	45.6	<b>94.5</b>
	(99.0)	(95.4)	(91.0)	(91.5)	(93.7)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(19.9)</b>	<b>(15.3)</b>	<b>(10.5)</b>	<b>(8.3)</b>	<b>(46.0)</b>	<b>100</b>
Female						
YES.	7.1	23.1	20.4	13.3	36.1	<b>2</b>
	(0.8)	(3.3)	(3.6)	(2.5)	(1.6)	
NO.	18.5	14	11.2	10.4	46	<b>98</b>
	(99.2)	(96.7)	(96.4)	(97.5)	(98.4)	
	100	100	100	100	100	
<b>Col.Total</b>	<b>(18.2)</b>	<b>(14.1)</b>	<b>(11.4)</b>	<b>(10.5)</b>	<b>(45.8)</b>	<b>100</b>

Source: Labour Force Survey 1996-97.

Parenthesis denote the percentage of the respective column.

Appendix Table 21

Year/Country Wise Emigration From Pakistan 1971-1999

Years	Saudi Arabia	U.A.E	Oman	Qatar	Kuwait	Bahrain	Iraq	Others	Total
1971	937	529	1215	174	39	478	-	162	3534
1972	788	806	1258	132	42	325	1	1178	4530
1973	1306	3929	1156	446	14	1114	25	4312	12300
1974	1211	7713	3806	344	94	906	53	2201	16326
1975	1338	7255	6651	1750	109	2271	502	3201	23077
1976	18460	10784	3123	590	179	1552	1318	5684	41690
1977	47349	39500	18545	3302	4890	5523	1719	19694	140528
1978	51381	28280	14591	2235	4541	3594	3152	22751	130525
1979	70698	17882	10771	1721	4634	2603	6369	10829	125507
1980	80124	16639	7839	1294	4388	2113	7821	9629	129847
1981	85339	26058	12063	2450	4156	2494	21809	14034	168403
1982	82035	21165	9236	4735	3180	3569	16998	2027	142945
1983	79997	16168	11007	4582	6529	4236	4270	1427	128206
1984	66680	15013	9114	1872	1357	2805	2529	1037	100407
1985	53870	16503	8938	2239	2067	2881	856	1107	88463
1986	29992	17467	7001	2485	1893	1793	1294	643	62568
1987	35846	16870	7489	2524	3589	2074	768	459	69619
1988	49718	20313	7462	2203	976	2491	1118	559	84840
1989	59520	21617	8787	1774	1225	3071	1563	1128	98687
1990	79435	20083	8364	1367	1338	2516	2076	341	115520
1991	113291	15286	9947	1471	4083	2741	40	485	147344
1992	137694	23816	11664	1935	16812	3551	-	621	196093
1993	99027	28347	6511	1263	18940	2013	-	1632	157733
1994	70444	28750	4248	1492	6124	1735	-	1247	114040
1995	77373	28681	9334	632	3898	1424	10	1268	122620
1996	79036	30851	3724	1453	5574	1583	-	5563	127784
1997	78982	39823	4809	2528	4748	1212	-	1827	153929
1998	44667	44761	2713	2070	3851	2102	-	3880	104044
1999	11082	33763	1084	1301	2525	985	-	842	41582

(Jan-June)

Source: Bureau of Emigration (unpublished).

Appendix Table 22

## Region-wise Number of Overseas Pakistanis

Year	Total	Africa	America	Asia, Far East Australia	Europe	Middle East
1983	1941159	102192	154027	32158	430565	1222217
1984	1843506	64472	150076	49917	435090	1143951
1985	1697012	34791	170093	49191	466733	976204
1987	1641050	24833	195120	44200	479044	697855
1988	1481441	30606	262166	54942	356178	787540
1990	1827943	22382	448099	36397	434110	886955
1992	2691304	22180	510052	52831	942042	1164199
1995	3010672	28813	450052	63825	955424	1512558
1997	3053447	16457	450105	69380	998856	1518649
1998	3182473	18213	605152	72690	934068	1552350

Source: Pakistani Missions.

Note: Source and method of collection remains unknown.

Appendix Table 23

Trainees Trained Under Prime Minister's Training Programme:  
Skill Development Council Karachi

Name of the Course	Duration	Trainees Trained
1. Industrial Electronics	09 Months	79
2. Industrial Instrument mechanics	09 Months	25
3. Biomedical Mechanic	09 Months	24
4. Computer Maintenance	09 Months	49
5. Auto Mechanic (Diesel)	06 Months	42
6. Auto Mechanic (Patrol)	06 Months	17
7. Refrigeration & Air-condition Mechanic	06 Months	42
8. Radio and Television Mechanic	06 Months	10
9. Computer Operator	06 Months	263
10. AutoCad	02 Months	18
11. Secretarial Sciences	08 Months	42
	<b>Total</b>	<b>611</b>

Source: 3 Years of Skill Development Council, Developing Human Capital. SDC, Karachi.

Appendix Table 24

Course-wise Detail of Trainees Undergoing Training  
(Youth Training Programme SDC Karachi)

Name of Course	Duration	No. of Trainees
1. Diploma in Colour Chemistry	12 Months	43
2. Diploma in Marketing & Sales Management	12 Months	26
3. Textile Designing and Fashion Mapping	12 Months	20
4. Specialized Diploma in Computer	06 Months	192
5. Diploma in Textile Weaving	12 Months	90
6. Secretarial Sciences and Office Administration	12 Months	82
7. Computer Application	06 Months	06
8. Diploma in Wet Processing	12 Months	20
9. Oracle Professional Programme	06 Months	246
10. Software and Network Engineering	04 Months	35
11. Diploma in Internet Programming	06 Months	45
12. Diploma in Cosmetology	12 Months	10
13. Computer Training for Disable Persons	06 Months	<u>10</u>
	<b>Total</b>	<b>825</b>

Source: 3 Years of Skill Development Council, Developing Human Capital. SDC, Karachi.

Appendix Table 25

Structure of Government Employment

	1988/89		1993/94		1996/97	
	Employment	% of Total	Employment	% of Total	Employment	% of Total
Federal Government	491,145	22.1	452,141	18.2	662,000	23.7
Provincial Government	1,284,006	57.8	1,586,081	63.7	1,708,014	61.1
Punjab	722,916	32.5	818,647	32.9	880,781	31.5
Sindh	285,042	12.8	424,974	17.1	445,577	15.9
NWFP*	177,106	8	219,539	8.8	254,587	9.1
Balochistan	98,942	4.5	122,921	49.0	127,069	45.0
Total Government	1,775,151	79.8	2,038,222	81.8	2,370,014	84.8
Federal Corporations	448,185	20.0	452,283	18.2	424,073	15.2
Total Public Sector	2,223,336	100.0	2,490,505	100.0	2,794,087	100.0

Source: Pakistan Public Expenditure Review: Reform Issues and Options. Document of the World Bank (Report No. 18432-Pak).

\*Fig. for 1988/89 extrapolated backwards.



Appendix Table 26  
 Projected Unemployment Rate by Educational Level (Projection)  
 (In Percentage)

Period	Level of Education					
	Illit.	Pre.Mat.	Matric	Inter.	Degree+	Total

Scenario 1

1998/99	5.44	6.07	7.9	8.4	9.0	6.2
1999/20	5.26	5.91	7.6	8.3	9.2	6.1
2002/03	4.71	5.43	6.8	8.05	9.8	5.7
2009/10	3.40	4.17	4.6	7.3	11.0	4.8

Scenario 2

1998/99	7.6	8.2	10.0	10.5	11.1	8.4
1999/20	8.0	8.6	10.3	11.0	11.8	8.8
2002/03	9.1	9.8	11.0	12.3	13.9	10.0
2009/10	11.5	12.2	12.6	15.1	18.5	12.8

Scenario 3

1998/99	8.1	8.7	10.5	10.9	11.5	8.8
1999/20	8.6	9.2	10.9	11.5	12.4	9.4
2002/03	10.0	10.7	11.9	13.2	14.8	10.9
2009/10	13.1	13.9	14.3	16.7	20.0	14.4

Scenario 4

2009/10 (a)	-2.7	-1.7	-1.3	1.6	5.5	-1.11
2009/10 (b)	3.4	4.2	4.6	7.3	11.0	4.8

Source:

Scenario I = Availability of manpower increases at 2.77% while GDP = 7% elasticity = 0.42

II = Availability at 2.77, GDP 7% and elasticity = 0.33

III = Availability at 2.77, GDP = 5.24% and elasticity = 0.42

IV = (a) Relevant only for 2009/10 where labour force growth declines from 2.77 to 2.00 with GDP growth of 7% and elasticity = 0.42.

(b) Labour force growth constant at 2.77.