Gender Pay Gap in Textile Industrial Cluster Kotri, Sindh Pakistan

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ABSTRACT

The aim of the research is to substantiate the gender pay gap in textile industrial cluster Kotri with the twin comparative research questions, what are the hourly wages of men and women workers and why do men and women workers receive unequal hourly wages in textile industrial cluster Kotri, Sindh Pakistan? The term gender pay gap is not only concern equal pay for equal work. It also refers equal opportunities for women in industrial sector, in the meaning of socioeconomic privileges. In Pakistan female labor force participation rates remain stumpy, the gaps in industries labor market outcomes between men and women (gender disparities) are far from closing. A mixed methodology used with snowball sampling technique in eleven textile industries of Sindh Industrial Trading Estate (Site) Area Kotri. Current study found that from 1 rupee to 11 rupees difference in one hour pay of daily wages men and women workers. Majority of daily wages worker are happy with the role of middleman but mass of them are illiterate. Further this paper offers specific policy recommendations for strengthen women worker position and priorities to wage balance in industrial cluster, expand women employment in industries and advance women’s wellbeing socially and economically by which we may enjoy a healthy piece of society.

KEYWORDS

Gender pay gap, Industrial cluster, labor market, Women worker.

INTRODUCTION

Gender pay gap is a phenomenon which corresponds to one of today’s supreme social injustice (Moore Jr, 2016). According to the International Labor Organization (ILO) that women are paid about 20 percent less than men across the world. Generally, gender pay gap refers to a metric that tells us the difference in pay, between women and men. The term “pay gap” is capturing a concept that is broader than the concept of equal pay for equal work (Hegewisch & Hartmann, 2014; Teasdale, McKay, Phillimore, & Teasdale, 2011; Suleman & Mohamed, 2019; Suleman, Mohamed & Ahmmed, 2020; Suleman & Rahman, 2020). The World Economic Forum issued Global Gender Gap Report (2020) to measure gender parity among 153 countries on the basis of four dimensions: i- Economic participation and opportunity ii- Educational attainment iii- Political empowerment iv- Health and survival. In terms of gender parity, Iceland has been the front runner for consecutive 11 years in a row, whereas Pakistan ranks third-to-last, at number 151, on the Global Gender Gap Index (GGGI, 2020). Gender parity is not valued for women only but it’s essential for development of any society or economy (Segovia-Pérez, Figueroa-Domecq, Fuentes-Moraleda, & Muñoz-Mazón, 2019). Consistent with the existing literature, the gender pay gap1 is defined as the difference between men and women monthly or hourly incomes expressed as a remaining monthly or hourly income of men income minus women worker’s income. This study explains hourly pay difference in between men and women textile weaver as per formula:

\[ \text{PG}_{hi} = (M_{hi} - W_{hi}) R = \text{GPG}_{hi} \]

“PG” refers pay gap, “M” is for men, “W” is for women, “R” is for remaining, “GPG” is for gender pay gap and “hi” is for hourly income.

The research contains two comparative research questions, what are the hourly wages of men and women workers in textile industrial cluster Kotri? And after getting evidences to explain pay difference, study answer its second research question, why do men and women receive unequal hourly pay in textile industrial cluster Kotri? First research question of this paper is to collect and examining the evidences and metrics of pay difference between the men and women workers in textile industrial cluster Kotr, whereas, second research question assessing some other factors.

The word “why” asking the reasons behind this real world problem. Despite the improvement in labor laws in Pakistan, over the last decade women are still disadvantage position (A. Sarwar &

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1 The gender wage gap has now been intensively investigated for a number of decades, but also remains an area of active and innovative research National Bureau of Economic Research (NBER, 2016).
Imran, 2019; Syed, 2020). A mixed methodology was adopted. The quantitative data performed through statistical package of social science (SPSS), then compare and relate quantitative database with qualitative database to interpret thoroughly as per study’s methodology.

BACKGROUND

The Textile industry has a strategic importance in Pakistan, as it accounts for more than 57 percent to the country’s total exports. Textile sector is considered the second major sector after agriculture in terms of providing employment for female workers Board of Investment, Pakistan (BOI, 2018-19). Although, labor force participation with working age population (age 14 and above), male is employed 82.2 percent and female is employed 24.3 percent Pakistan Labor Force Survey (PLFS, 2019-20). It is defined in table 1.

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<tbody>
<tr>
<td>Male</td>
<td>83.1</td>
<td>82.4</td>
<td>82.0</td>
<td>81.7</td>
<td>81.9</td>
<td>81.1</td>
<td>81.0</td>
<td>81.4</td>
<td>81.1</td>
<td>82.2</td>
</tr>
<tr>
<td>Female</td>
<td>21.3</td>
<td>21.8</td>
<td>23.1</td>
<td>24.1</td>
<td>24.4</td>
<td>24.3</td>
<td>25.0</td>
<td>25.0</td>
<td>22.8</td>
<td>24.3</td>
</tr>
</tbody>
</table>


In Pakistan, female employment is low as compare to male (Naz & Bögenhold, 2020). Men are consider as primary breadwinner and women are mainly responsible for house chores and other domestic activities (Iqbal, Ahmad, Rai, Aslam, & Hafiz, 2020) In Pakistan, textile sector has over the years offer employment to both men and women either connected with formal or informal forms of services. This study is based on the formal form of employment and workers selected for this research is on daily wages employees related to selected textile industries.

This study was carried in textile industries located at site area Kotri, Sindh. Site area Kotri caters to the residents of district Jamshoro and other adjacent districts i.e. Hyderabad, Thatta, Dadu and Karachi. Even other provinces migrant communities are also working over here and they lived in their industries colonies. Study qualitatively approach the 8 in-depth interviews with the research stake holders and quantitatively study accounts a sample of 352 surveys of respondents from eleven textile industries2 of site area Kotri.

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2 A factory is a manufacturing plant. Industry refers to the production of a material or service within an economy. This is the main difference between factory and industry. Though, when speaking about the whole economy, we generally speak about industries whereas a mill is a place where some grinding work is taking place such as a flour mill or spinning mill. Textile mills produced cotton, woolens, and other types of fabrics, but they weren’t limited to just production.
This systematic data procedure followed a well-designed open and close ended questionnaire. Kotri Industrial zone counted in rural parts of the country. Women literacy ratio in rural areas is very low as compare to urban parts of the country (Ali et al., 2020; Khan & Hussain, 2020). Women are less skilled and lesser in technical field; they are working only on lower jobs in countryside industrial sector of Pakistan (Isran & Ali Isran, 2012). Women are 10 times more involved in household chores, child and elderly care than men (Rahman et al., 2019).

Demography of site area Kotri:

Kotri (Sindhi: کوٹری, Urdu: کوٹری) is a city and the headquarters of the taulika Kotri, district Jamshoro. It is located on the right pool of River Indus, covered the area of 1882 acres and named KATI (Kotri Industrial Trading Estate) Limited. It was assimilated in 1960/61 on the model of Trading Estates of United Kingdom including all advanced infrastructures available on the SITE are Kotri.

SITE area Kotri, holds all types of industries approximately 106 small to large scale units that are associated with KATI. Occupied industrial units are around 80 out of which 31 are textile units and each textile unit caters about 400 to 600 employees (Assistant Director, Directorate of Labor Hyderabad). SITE area Kotri is closely connected with national highway, national railway, seaports and airports and it united with a road cable to all the major parts of the country (Makhdoom, 2018b). The major production comes in finished goods for local consumption and for export. Fabric, dying, weaving, garments and spinning trade (Textile) is most affluent here (Makhdoom, 2018a). At present, there are approximately 426 smalls to large scale textile industries (units) working in the country³. Out of which 31 are positioned at SITE area Kotri.

Current laws interventions at site area Kotri:

³ Textile sector is the backbone of Pakistan’s economy; it valued an important position in manufacturing sector of Pakistan and carries a highest production value chain (Punjab Board of Investment and Trade, 2018).
Pakistan legislation system contained all categories of laws but effectively intervention is a big question mark in the country especially rural parts of the country where inspection rehearsal is not up to the routine. Currently in Pakistan, related with the issue of labors 70 different laws are in operational (Ibekwe, 2020). A pre-partition law of trade union Act 1946, industrial employment Act 1946 and factories Act 1947 still exist and holds a great importance in Pakistan’s legislation system (Akram & Kashmiri, 2015; Makhdoom, Shah, & Jamali). Women as labor force and specific issues concern with women worker’s rights ratified by constitution of Pakistan under the Article 11 and equal rights to enter any profession comes in under Article 25. Every citizen has equal rights no discrimination on the basis of gender/sex it defined in Article 27. Fair Labor is based on the standards of the association, which seeks to provide equal remuneration to men and women based on ILO convicts. The Clean Clothes Campaign (also based on ILO conventions) contained gender-specific rights and there are clear clauses. (Bellace, 2018; Yu & Zia-ud-Din, 2018).

Sindh industrial trading estates (SITE) limited was established in 1947. SITE is an advisory and to some extent, regulatory body, responsible for inspecting and lying down wage practices and other narratives time to time. Government of Sindh appoints Board of Directors for SITE\(^4\). Its objective was to provide a favorable industrial environment where industrialists could be facilitated with public amenities (Beg & PCSIR). Total nine industrial estates are situated in Sindh. Site area Kotri has an advantage of geographically ideal locations and takes an important portion in Sindh (Makhdoom, 2018a).

**LITERATURE REVIEW**

This section is dealing with relevant existing literature and some appropriate statistical reports, identified different categories of neighborhood characteristics contributing to understand the research problem. It is evident from the statistical data and existing literature, formal form of employment has some kind of disparities in span of women’s underrepresentation in almost all areas of economic activities. Most probably in rural parts of the country, men are considered the breadwinner and women are mainly responsible for household cares and other domestic activities (Saqib, Kuwornu, Panezia, & Ali, 2018). This leads to women being more time poor and having less time gaining education and skills to get good jobs (De Clercq, Haq, & Azeem, 2019; Rowther et al., 2020).

\(^4\) SITE limited by virtue of policy decision through Sindh government no.24-1.b/47.1 dated 2-6-1947 under companies act, 1913 now companies ordinance 1984 as a company limited by guarantee and having no share capital.
Literature suggests, a woman as a workforce has positive impact on country’s economy as well as her family and personal life (Rinz, 2018). An empirical analyze on culture, norms, political influence, economic factors and international influence upon labor force participation (LFP) of women in Pakistan and possible choices of employment (F. Sarwar & Abbasi, 2013). Some Pakistani writers had emphasis on importance and impact of women’s education on gender relations in the domestic sphere (Chaudhary, Chani, & Pervaiz, 2012; Pakeeza, 2015). No doubt through education & empowerment we may fill domesticated gendered and inequality gap at any level but question arises how a poor women from patriotic rural condition may approach to quality of education and skills for getting good jobs. Existing literature is not exception from the limitations; very few studies in Pakistani context addressing corporate role of industrial clusters into their respective regions but did not provide any policy recommendation or amendment, although it is a critical subject. The failure of Rana plaza garment factory in Bangladesh demonstrate gender constraints on women’s labor force, study suggest that inequality of gender privileges may lead negative productivity and overall failure of the business (Fraser, 2020; Sinkovics, Hoque, & Sinkovics, 2016). Some writers demonstrate how to regulate women in workforce environment and how to create competition in between men and women in a same industry and some illustrated that innovation is directly linked with performance and they mediates the entrepreneurship in practical is blessing for a women owned small and medium sized enterprises. In Pakistan, especially rural parts women are far from the entrepreneurship concept or its abc.

Some literature provide an insight look on gender disparities difference in wages and difference in management styles towards men and women workers lead a large stressors and have been recognized as main determinants of mental and psychological health (Bilodeau, Marchand, & Demers, 2020; Lu, Kao, Chang, Wu, & Cooper, 2011). World Economic Forum (2020) showed gender equality in report of global gender gap index (GGGPI, 2020), gender parity, Regional classification, further it formulate a Strategic Framework for a review of historical attempts to reform gender disparities, see if the existing policies and practices are enough or to develop a framework that will transforms the problems from its roots and instigate policy action and dialogue (Šestić, Rahimić, Ćar, & Hodžić, 2020). In 2018, Government of Pakistan with the collaboration of World Bank group issued this draft with “vision 2025” towards the sustainable development goals (SDGs) defined an striving objective of a rise of female as a labor force participation (FLFP) from its recent point of 20 percent to 45 percent by 2025. Focusing on
women worker who are allied with textile factories, according to them minority women workers need more support from the workplace. Gender pay gap varies widely across the various groups and sectors from 0 to 45 percent and it increases when it intersects with other factors like women belongs to marginalized communities, minority group or living in lower middle class family (Huyer, 2015; Longhi & Brynin, 2017).

There are very few studies found in Pakistan, addressing women clause in textile industrial posture especially on their wages system but not providing a detailed disparities and grievances of a women worker, so this study will give accurate metrics of wage inequality within the study sample and dispose a women as a labor force. This study will not be only appropriate for women workers of site area Kotri but it will also provide shed to rural parts of other developing countries.

**RESEARCH METHODOLOGY**

The study adopted mixed methods, qualitative (open-ended) as well as quantitative (closed-ended) approaches in response to its objectives. In this approach study has two different databases, first study collected data through quantitative and then compared end result with qualitative approach as and finally analyze, interpreted and construe the data.

**Sample Size**

Table.2, 3, and 4 define the sample size of the current study

Study was conducted in country Pakistan, Province Sindh and Sindh industrial trading estate (Site) area Kotri, placed in district Jamshoro. in Site area Kotri, there are about 31 textile industries are operation at the current stage, out of which 11 are sample for this study. Further classify these 11 textile industries into different sections, 3 from the spinning sections, 3 from the weaving sections, 2 from the garments and 3 from the processing and bleaching sections.

Exploring gender related issue study approached both the gender men and women worker. Quantitatively surveyed total 352 men and women worker population and qualitatively study approached to 8 other stake holders for in-depth interviews.

**Research Stake holders**

These are all the stake holder of the current study, classified into different four groups with their interest and power define in table.5:

Table. 5 shows the list of stakeholders:
S.H format taken from Bhutto, (2018) LCI framework

Data Collection
Structured and unstructured survey questionnaire in English and Sindhi languages comprised of 24 questions related to the three themes of i)- Personal information, ii)- Workplace detail, iii)- Satisfaction level.
In-depth interview Guidelines in English and Sindhi languages comprise of 25 questions related to the same themes. (Respondents are 4 from all the research stakeholders).

RESULTS AND DATA ANALYSIS
After rigorous data collection processes in response the first research question, what is the hourly pay gap of men and women worker in textile industrial cluster Kotri? To analyze end result of these variables, study used SPSS coding to further measure and compare worker wise figures with response to research question. Quantitatively surveyed 352 workers, those are affiliated with eleven selected sample of textile industries. Further Textile industries are classified into three different segments, 3 out of 11 concern spinning process, 3 industries related with weaving process, 3 from processing and bleaching process and 2 from the garments work. Working hours are accounts 8, there is dissimilarity of working hours but study has to spot some point to count the gender pay gap. Detail is (shown in table.6) to calculate the hourly pay gap, add up the hourly pay of 8 hours working of men worker and sum up the women worker’s 8 hours then subtract the women worker’s pay from the men worker’s pay.
Table 6. The hourly pay gap in between men and women worker in PKR.

<table>
<thead>
<tr>
<th>Textile Units</th>
<th>No of Industries</th>
<th>No. of Respondents m+w=t</th>
<th>Working hours</th>
<th>Sum up of Men’s 8 hours pay in Pkr</th>
<th>Sum up of Women’s 8 hours pay in Pkr</th>
<th>Difference in 8 hours of pay as per worker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spinning Units</td>
<td>3x</td>
<td>67+67=134</td>
<td>8 hours</td>
<td>38050/-</td>
<td>31990/-</td>
<td>90.4/-</td>
</tr>
<tr>
<td>Weaving Units</td>
<td>3x</td>
<td>36+36=72</td>
<td>8 hours</td>
<td>21630/-</td>
<td>18720/-</td>
<td>80.8/-</td>
</tr>
<tr>
<td>Garments Units</td>
<td>2x</td>
<td>31+31=62</td>
<td>8 hours</td>
<td>18270/-</td>
<td>17920/-</td>
<td>11.3/-</td>
</tr>
<tr>
<td>Processing (Bleach) Units</td>
<td>3x</td>
<td>42+42=64</td>
<td>8 hours</td>
<td>23490/-</td>
<td>20550/-</td>
<td>70/-</td>
</tr>
</tbody>
</table>

The analysis of the quantitative data gathered in this research showed that there is about 7.8 rupees average difference in an hour pay of men and women worker and it is varies in different textile units, spinning has high of 11.2 rupees difference whereas, garments has low 1.4 rupees difference in their one hour pay of men and women worker.

**Average difference (shown in chart. 01).**

![chart showing hourly pay gap](chart.png)

The difference is varies widely across the four sections, quantitatively study calculate hourly pay gap from 1 rupee to 11.5 rupees between men and women workers. Chart shows daily wages women worker hired on 477.5 rupees in spinning section and men worker hired on 567.9 rupees. There is a clear 90 rupees discrepancy in a single day pay of men and women worker in spinning.
sections. Same as can see the difference of 80 rupees in weaving sections and 70 rupees in processing and bleaching sections. Data analysis of garments section shows only 11 rupees difference, it indicate some different figures as compare the other textile sections. After getting evidence to explain, study answered its second research question. Why do men and women receive unequal hourly pay gap?

Using a mixed method this quantitative data tested on qualitative facts and figures. Initially metrics shows pay gap is depends upon the employed population. Spinning section has low women participation in labor market as compared to garments. It may result high in differences of their pay but it is not only a cause of this disparity because spinning has slightly high women workers ratio than the weaving and processing sections, then why it leads high in pay gap. There must be some other sources behind this gap. In-depth interviews carried to answer this research question. In Kotri textile industries, women are employed at lower level jobs, refers to gap in pay associated with occupational segregation. According to a shift supervisor of spinning section Kotri,

*Concerned to spinning section, women are hired in two departments mixing and doubling through the verbal agreement with middlemen and it is his headache how he arranges, all women are hired purely on daily wages contact, their faces changes regularly.*

In this connection middleman plays a role of an intermediary distribution of daily wages workers. Further to evaluate the role of middleman a question was placed in research’s general survey asked to 352 respondents. Middleman role should be existing in your industry or not? Result of that question make some positive room of middleman, 189 out of 352 workers answered “Yes” and remaining 163 answered “No”. There are 3 middlemen who are functioning hiring process in study’s sample textile industries, all having strong political influence. The role of middle men having both positive and negative dimensions, positively he is a blessing for an unemployed person, middle man is the main source of job and negatively he cuts the large commissions from the worker’s salaries so half of the population dislike middle man role. Disliking middleman role is more concern with worker’s level of education. 119 workers out of 163 workers, who disgrace the role of middleman are passed their middle education whereas, and they have capability to directly negotiate with industry administration. Comes the liking vote, 151 workers out of 189 workers level of education is below primary or uneducated, it gives evidence that illiterate worker depends upon intermediary role for his employment either it leads
less than the other co-workers. The labor party, is fighting for labor rights in Kotri named, People labor federation (PLF) is basically belongs to Pakistan people’s party, which is currently main ruling party of Sindh province, due to political label PLF function is not exception from the conflicts and favoritism. The word “why” of second research question also indicate some grievances from the employer side, fuel electricity issues or imposed different taxes from the state, employer cannot make employment as per standard of minimum wage standard.

STATEMENT OF LIMITATIONS
A limitation of the current study could be that some participants may not have forthcoming in the interviews or surveys, they believed that the information they provided could or would embarrass their jobs. Second limitation can be stated to tackle and extend the gender subject of research there should be some other relevant subjects be studied such as; the role of labor unions for women worker, minimum wage system in rural parts of the country or employer side grievances to hire women worker is his respective industry.

FINDINGS
Through examining the quantitative data 352 survey of men and women workers, study found average of 7.8 rupees hourly pay gap between men and women worker. The entire hiring process of men and women workers is under political supervision. Majority of workers encourage the role of middle man due to low level of their education. Garments sector has a low difference of 1.4 rupees in hourly pay as compared to other textile segments (spinning and weaving), main reason followed this low pay gap in garments sector, is employed population ratio of women worker is high than the other sectors. Labor union in Kotri labor market also affiliated with local district parties and due to that their role is full of favoritism. Low participation of women in labor force is also the one factor of hourly pay gap. Low participation and employed on only lower jobs in industry may result in high discrimination of gender and the voice behavior in women workers is not more than the 0. In this connection discrimination cases are not able to heard in qasimabad labor court.

RECOMMENDATIONS
By accelerating the building of a pay balance system under the efficacious laws intervention in countryside industrial cluster like Kotri textile industrial cluster, local government should take some seriousness in terms of safeguarding of women worker rights. Local government should
make an accountability measure in balance of participation in labor workforce that will indirectly strengthen the women worker position in formal form of employment. Local government should not wait for the national legislation action or international standards will take this notice, local government is aware from all the middle men to industry owners, so it need of the time to come up and restrain gender disparity in their respective district’s industrial sector. Labor unions should not associate with any government party to avoid any conflict among the workers (Anner, 2020; Clibborn & Wright, 2018; Dixon, 2010). Gender equality is not valued for women only but it’s essential for development of any society or economy (Razavi, 2012). It is also essential for eradicating poverty and improving the lives of future generations (Falk & Hermle, 2018). The gender pay gap is a stubborn issue, without updated and explicit equal pay and equal gender participation reform; the gender pay gap cannot be filled. It is also very important to determine the different sources behind wage inequality and gender disparities in textile industrial cluster Kotri, in order to design appropriate policies for eliminating this real world problem. At the current pace, gender pay parity is not looking to reach before 2070 in rural parts of the country. All legal bodies need to take serious measures to restrain this issue; like quota system in hiring process and implementation of minimum wage policy in true spirit may overcome on this gender pay gap.

CONCLUSION

This study will provide an explicit view of a gender pay gap. An equal pay for equal work is a basic right of a women. Women’s role in industrial-sector Pakistan is still under-researched. This study is based on formal form of employment, who directly works on daily wages basis in textile industries Kotri. Two different databases are informing the difference of pay between men and women workers and provide accurate metrics of difference in hourly pay of men and women workers in textile industrial cluster Kotri. Further study accumulated middle man has more positive votes than the negative but positive mainly concern with workers low level of education. Finally study recommends some policy interventions and implementation of efficacious laws in future works, insist local government to take seriousness because it is closer to all end users of this study. This empirical case of Kotri, implications of labor wages can be drawn for the other developing countries.
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