

Poverty and Social Impact Analysis of Workers Welfare Fund

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Abstract

This study conducts the poverty and social impact analysis of the workers welfare fund (WWF) program across Pakistan. It finds that colossal documentation, delayed free disbursement, and distance of school from home are the main hurdles in the way of education. New housing schemes are moving at a slower pace with compromised quality, and repair work is not being done on a regular basis. Sanitation and sewerage issues in labour colonies are creating health and environmental hazard. Discrimination in health care facilities and rent-seeking is very obvious. There is a detailed process review of WWF that borrows advice from such programs in other parts of the world. It is important to note that after the 18th constitutional amendment, labour market reforms are now responsibilities of provincial governments. However we explain that such a transition is painstakingly slow.

Keywords: Education, Conditional cash transfers, Gender balance

1. Introduction

Government of Pakistan (GOP) has been facing challenges to ensure the workers' welfare across the industrial entities. While it has not been able to fully implement the macro-level labour reforms (e.g. the implementation of minimum wage – revised annually) however it is striving to put in place social safety nets such as Benazir Income Support Programmes. Within the overall ambit of social protection, the government has retained the Workers Welfare Fund (WWF) organization even after the 18th Constitutional Amendment which requires social sector programmes to be devolved to provinces in order to improve service delivery at the provincial and sub-provincial levels. The provincial governments have however been urging the federal government to hand over the reins of WWF.

The WWF is providing assistance to industrial labour via specific instruments discussed latter. The WWF is an autonomous body that is administered by the newly established Ministry of Human Resource Development (HRD). A tripartite forum runs WWF including government officials, employers and industrial workers. WWF was launched in 1971 under Workers Welfare Ordinance (WVO). Its objectives include the provision of the various schemes that could promote the workers welfare such as residential schemes, education, health care, marriage and death grants.

The Finance Acts 2006 and 2008 administer the firms operating under the Shops and Establishments Ordinance 1968 that each firm, earning an annual income more than Rs. 500,000 in a year, is bound to pay 2% of its total income assessable under law. This assessment should be in compliance with the tax returns that are submitted to Federal Board of Revenue or tax departments at the sub-national level. Further the WWF makes investments in real estate, government guarantees such as state bank securities and national defense schemes, government bonds, non-government securities, and foreign direct investment. Secretary WWF from the investment committee manages these investments. The resulting profit is added to WWF's kitty which is ultimately used for labour welfare activities.

In the last 10 months of 2012, Rs. 2500 million has been provided financing 46 housing schemes benefiting 15000 families. Further Rs. 77 million has been provided for educational scholarships that accommodated 1456 students.¹ An amount of Rs. 637 million has been disbursed for marriage grants accommodating 9138 families. Around 1079 households are facilitated with death grants and the WWF provided a sum of Rs. 341 million.

After the May 2012, the WWF increased the amount of marriage grant from Rs. 70,000 to Rs. 100,000. Any worker can avail the funds for his daughters and there is no bound on their number. Female workers can also avail this grant for their own marriages but once in life. The law provides equal opportunity to all the pay scales given the workers are registered with Employees Old Age Benefit Institution (EOBI) and other Social Security Institutions. The WWF also accommodates the industrial workers in case of a severe mishap. It provides a death grant of Rs. 500,000 which was Rs. 300,000 previously. To avail this facility, a worker is required to register with EOBI Social Security Institution except the mine workers. The following flow chart (1) indicates the overtime evolution in the operations of WWF.

¹ Ministry of Human Resource Development, Government of Pakistan, 2012.

Flow Chart 1: Over the Time Evolution of WWF



Source: Ministry of Human Resource Development

The WWF has been operational since 1971 but no recent study is available on its impact evaluation so the present study aims to fill this gap in literature. It aims to determine the employment, socioeconomic, and poverty impacts; the intended and unintended consequences on the welfare of different groups (e.g. gender, location, age); factors adding to or detracting from the targeted impact; effect of man-made and natural disasters on programme deliverables, impact on workers productivity; monitoring and accountability mechanism, challenges faced in programme implementation; opinions of factory workers and other stakeholders about this programme. Rest of the study is as follows:

Next section 2 reviews literature followed by methodology adopted for this study in section 3. Discussion on results is available in section 4, finally section 5 concludes the study and provides policy recommendations.

2. Literature Review

The income transfers received by the poorest workers might have a limited effect on poverty alleviation efforts because of multiple reasons. First the amount of social transfers is normally quite small. Second social transfers reduce the work incentive, as a result the non-transfer income of the poorest households decreases. Van de Walle (2004) asserts that the public welfare programmes in Vietnam did not target the poor significantly during 1990s. However, the pattern of social transfers and poverty reduction was different in post 1990s era. There was a significant decrease in poverty because the new transfer schemes provide better results. There is a stable relationship between the transfer money and the poverty reduction, 2004 witnessed a 5% fall in national poverty rate (Evans *et al.*, 2006).

However, the impact of the poverty reduction programmes varies from place to place (European Commission, 2010). The same programme might reduce poverty by 94% in Africa whereas it reduce 25% in Brazil. Results state that around 50% to 80% of the funds were spent on food items reducing hunger in the poor regions. It reduced the stunting by 10% and infant mortality by 25% in Mexico. In Brazil, this social protection programme reduced school drop-outs by 63%, further 24% students had an additional year of schooling.

Industrial workers in India are not very content with the provided welfare programmes in the industry. Swapna and Samuyelu (2011) analyses the worker welfare programmes in Andhra Pradesh. Employing the primary data, it find that coal mining firms need to improve housing, education for children, and sanitation facilities. In contrast, Satyanarayana and Reddy (2012) reports that most of the industrial workers in cement industry are satisfied with basic welfare facilities including transportation, medication, clean drinking water, recreational facilities, education for children, and accommodation. However, around 40% workers are not satisfied with bonus scheme and consumer cooperative stores provided by industry. A link between bonuses and labor productivity is missing.

Labour welfare activities are getting more attention in the business entities (Browning, 2008). These activities improve the current living standard of households. However the welfare money might discourage the household savings causing a fall in private assets. The net decrease in asset portfolios raises poverty among the working class. In this scenario, only a few households have enough resources to invest in private assets but the majority remains poor in the long-run. The following Table 1 summarizes some key worker welfare programmes across the globe.

Table 1 Some Famous Worldwide Welfare Programmes

S. No.	Country	Programme Title	Number of Beneficiary Household	Monthly Disbursement (in US \$)	Population Targeted
1	Argentina	Programa Familias	500,000	40-80 per child	Household heads, females

					and children
2	Bolivia	Juanci to Pinto	500,000	2 per child	Public school children
3	Brazil	Bolsa Familia	11,100,000	30 per household, 7 per child	Extremely poor and poor households
4	Chile	Chile Solidario	256,000	14 per child	Extremely poor households
5	Colombia	Familias en Accion	1,700,000	For education: 8-33 per child For health: 28 per child	Extremely poor households and children
6	Dominican Republic	Solidaridad	461,000	29 per household	Extremely poor households and children
7	Ecuador	Bono-de-Desarrollo Humano	1,060,000	15 per household	Households and children
8	El Salvador	Comunidades Solidarias Rurales	100,000	For education and health: 15 per household	Extremely poor households And children
9	Guatemala	MiFamilia Progresa	250,000	For education and health: 20 per household	Extremely poor households and children
10	Honduras	Programa-de-Asignacion	240,000	For education and health: 5 per household	Poor households and children
11	Jamaica	Program of Advancement	100,000	100 per household	Poor households
12	Mexico	Oportunidades	5,000,000	Education: 12 to 23 per household	Extremely poor households
12	Panama	Red de Oportunidades	70,000	50 per household	Extremely poor households
14	Paraguay	PROPAIS II	5,800	120 per household	Extremely poor households and children
15	Peru	Juntos	454,000	33 per household	poor households and children

Fiszbein and Schady (2010) make a great analysis of all these welfare programmes.

3. Methodology

Keeping in view the nature of this study, the present study limits itself with qualitative research tools. In this setting, it is imperative to capture the impacts of WWF on community, worker productivity and labour market. Two renowned qualitative techniques were employed including Focus Group Discussion (FGD) and Key Informant Interview (KII). The former arranges the discussions of all the potential stakeholders to resolve the problems of industrial labour whereas the later conducts direct interviews with government officials and other potential stakeholders.

These FGDs and KIIs were supported by specific structured and semi-structured objective specific questionnaires. Covering the dynamics of present study, it required mapping of the target population including community residents, particular group associated with a geographical region (ethnic groups, minorities, racial groups, women etc.). Majority of beneficiaries and government officials (who were interviewed and are associated with the WWF) are having more than 20 years of experience. They are well aware of the structural changes that occurred in the WWF over the time. All the stakeholders have tried to give a deep insight of their experience regarding the WWF. Some of the beneficiaries shared their experiences as a case study for the assessment of the WWF. Following is a detailed description of the above mentioned qualitative techniques.

3.1 Focus Group Discussions (FGDs)

The present study conducted 10 focus group discussions (2 per instrument), and following criterion was observed while conducting these FGDs:

- Participation was provincially representative
- Representation was also ensured in a manner that most income groups of industrial sector workers were available
- In terms of educational attainment we ensured maximum possible representation from each levels i.e. primary, secondary and tertiary
- In terms of sectoral distribution we had a fair representation from several sub-industrial sectors e.g. textile, leather, oil and gas, consumer goods etc.

3.2 Key Informant Interviews (KIIs)

The KIIs were supportive in collecting the information from the government officials and other potential stakeholders on all the instruments. A KII is a private and friendly communication to have indepth detail, clarity and the nuance on the topic in hand (Kenya, 2012; Rubin and Rubin, 1995). This is a simple but an effective technique, these interviews pursue the dimensions of the research topic in a descriptive way.

The present study conducted 10 KIIs of the government officials and other potential informants. Following criterion was observed while conducting KIIs:

- Response from federal government officials was acquired
- Responses from at least two government officials from provincial offices were acquired
- Responses from industrial factory workers and labour unions were acquired
- Specific interviews were also conducted with community leaders at provincial level

4. Results from Qualitative Exercise

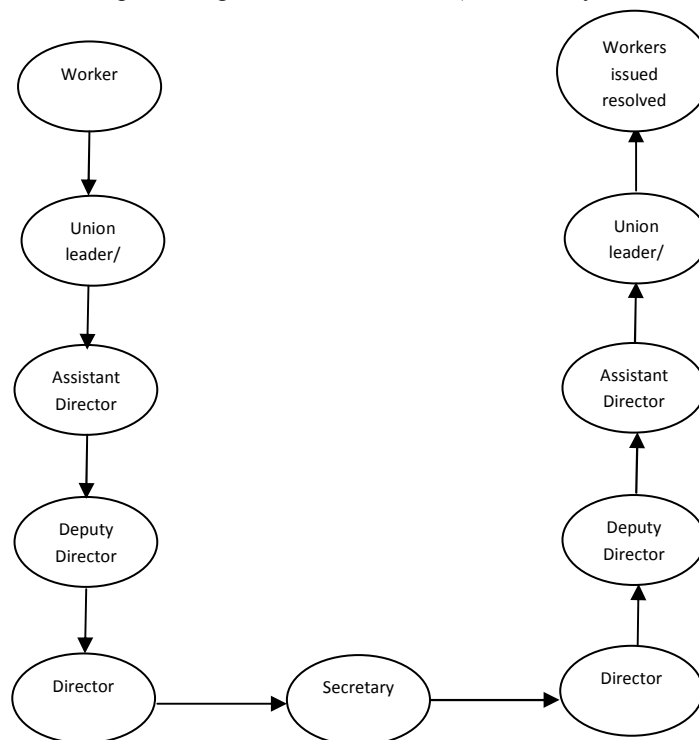
This section discusses the programme assessment and grievance resressal mechanism; welfare changes resulting from the welfare grants including housing schemes, educational grants, medical grants, vocational trainings, marriage grants, death grants; and social impacts of these grants including regional and gender specific impacts, gender and age specific impacts, natural calamities and 18th constitutional amendment scenario. For convenience, this section has been divided into 3 subsections.

4.1 Programme Assessment and Grievance Resressal Mechanism

The industrial workers assert that the WWF operations have improved over-time with reduced time cost. During the 1990s, the claim of rights requires 1 year however it reduced to 6 months after 2000. Still there are payment delays originating from the lengthy documentation process. Though the amount of welfare grants has increased over the time but without considering the inflationary trend, the inflation has increased manifold as compared to these grants. Industrial workers believe that educational grants are the most valuable for ther children. Many of them are serving in engineering field, medical institutions, and leading national institutions. The educational grants promote quality education which is not affordable otherwise.

Misuse of welfare grants especially the housing grants ignites a tension in community. It is reported that some of the factory workers backed by the political parties allot houses without any legal right. Then they sublet it to a third party on high rent. This triggers conflict in the society and needs serious attention for its resolution. Further the poor grievance redressal mechanism adds to the miseries of poor workers. Following flow chart (2) describes the steps involved in the complaint registration mechanism:

Flow Char 2: Complaint Registration Mechanism (Source: Key Informant Interviews)



On the other hand, government officials claim that the WWF has improved its disbursement procedure over the time. During the 1990s, disbursements to workers were made through cheques involving a number of days. Now-s-days, it is transferred directly into their bank accounts which reduced the time cost significantly. Further the socioeconomic impacts of these grants are quite significant and many are serving in a multiple ways. Educational grants not only increases the literacy rate but also secures good jobs. The trickle-down effect generates many doctors, engineers and social scientists etc. Housing schemes, marriage grants and death grants also have an impact on workers but in a limited way. Mostly these instruments act as buffers and smooth consumption patterns of households.

The officials confess that there is no formal complaint registration mechanism at the federal level in the WWF office. Complaints are registered informally at the provincial offices and are solved there. Further the tight scrutiny mechanism at the provincial level delays grievance redressal, and the WWF is working to identify and eliminate factors involved in these delays.

4.2 Grants and Welfare Changes

The existing law and procedures of the WWF provide assistance to the industrial workers in housing schemes, educational grants, medical grants, vocational trainings, marriage grants and death grants. This section discusses the welfare impact of each instrument separately.

4.2.1 Housing Schemes

Industrial workers state that housing is a good initiative by the WWF helping a number of poor families. However, the houses are limited in number and the WWF needs to increase the number of houses over the time. Living conditions in many houses are not up to the mark in the existing labour colonies. The weak institutional mechanism for the repair and maintenance is badly affecting the workers. Further there are several procedural problems involved in getting the house allotments (please see Figure 1 for details in annex). The residential quarters should be allotted only to the factories operating in the area. If a factory is not operational, its workers should not occupy houses in colonies.

The houses with damaged footings are very common which is the result poor drainage system. The amalgamation of drainage and drinking water creates a great threat to health. Sanitary conditions are not adequate in the labour colonies, for instance only 4 sweepers are available in a labour colony that comprises more than 500 houses. These housing colonies lack basic facilities like parks, and street lights. The housing facility is available to the industrial workers as long as they are working in the factory, the workers have no right to stay in the houses after retirement. The workers demand the title of ownership for the houses because it is difficult to finance housing when one is retired. The government officials agree that the housing scheme needs improvements. However, it has facilitated almost 60,000 industrial workers to date. Right now, the WWF is

serving the industrial workers with 114 housing schemes while 26 schemes are in process.

4.2.2 Educational Grants

The low wage rate in the industry and rising educational expenses both has made the life difficult. The educational grants enable the children of workers to study in prestigious educational institutes. In the past, only limited institutes were affiliated with the WWF. However, presently, a student can avail admission in any institution recognized by Higher Education Commission (HEC). Education contributes a lot in mitigating the miseries of deprived industrial workers and their families. There are many good examples in which the extraordinary students also represented the country at international level (please see Figure 2 for details in annex).

Data reveals that that Punjab secures the highest share in educational grants because it comprises the highest number of industrial units. Second is Khyber Pakhtunkhwa, third is Sindh, fourth is the federal area (Islamabad) and finally it comes the Balochistan. Further all the provinces have varying patterns of educational grants over the time. This pattern is almost the same for the Punjab and Balochistan while there is a change in relative positions of other provinces overtime. From 2004 to 2009, Khyber Pakhtunkhwa and Sindh are very close but there is a significant increase in educational grants in Khyber Pakhtunkhwa after 2009 (for details, please see Figure 3 in annex).

The above mentioned comparison can be more significant if it takes into consideration the total expenditures incurred by the WWF (please see Figure 4 in annex). It is obvious that both provinces Sindh and Punjab are taking major shares in the total budget, and the pattern remains the same up to 2011. However, after 2011, the share of Sindh in total expenditures is increasing while it is falling for Punjab. The remaining areas such as Khyber Pakhtunkhwa, Balochistan and Islamabad all have a little share in total expenditures. This asymmetry in expenditure absorption across provinces requires an in-depth study by the government officials.

Previously, educational coverage was limited and students could get just fee while rest of the expenses were financed by workers themselves. Currently, the WWF has changed its policy and grants full fee with other educational expenditures. This practice has given fruitful results and caused a positive trend in enrolments. Further, the documentation procedure is very long to get the scholarship facility for their children (details are available in annex).

The government officials affirm that the WWF provides free education for workers' children. It provides free books, uniform and a monthly stipend. They are aware of the limited number of schools and other shortcoming and are working on it. Further, the WWF also finances the educational expenditures of students studying abroad. The educational grants play a key role in the socioeconomic uplift of industrial worker households.

4.2.3 Medical Grants

The medical coverage for the industrial workers is provided under the umbrella of social security dispensaries and government hospitals. The workers are entitled to free health examination, medical treatment and medicine but only the working labour. The retired workers are not entitled to these facilities. They have served the industry for their entire life, but have to seek for alternative treatment options in their old age. Other options are quite expensive and difficult to access (please see Figure 5 in annex for details). Further a weak monitoring and evaluation system is resulting in staff absenteeism and medicine shortages in these WWF dispensaries.

The government officials replied that no direct way is available for medical grant. The WWF approves funds for dispensaries and for hospitals nearby to the residential colonies. In addition, the WWF funded a 200 bed hospital in Sukkur and plans another 500 bed hospital in Islamabad. It was not clear as to what factors were considered while deciding upon Sukkur and Islamabad as locations for these hospitals. There areas are already rich in medical facilities and there are other less developed places which need attention. However, some officials say that these are political decision.

4.2.4 Vocational Trainings

A number of vocational training institutions are operating under the auspices of the WWF but they do not maintain an up to the mark standard (please see the Figure 6 in annex). The present job market is very vibrant and it is difficult for the young technicians to be employed at a reasonable place. There are also many other impediments such as low wage rate and structural underemployment. It would be useful if the WWF promotes such vocational training that could meet the demands of industry. Currently the syllabus of these vocational trainings institutes is an arcade, not in line with industry demands.

It seems that the WWF vocational trainings lack a clear vision. This training might be more productive if provided with a clear visualization and broader focus. The technicians should be facilitated with modern tools and machinery. There should be backward and forward linkages of the technical training in the industry. The location of these institutions is an important factor, the majority of these institutions are limited in number and are located at distant places making it difficult to access.

The representatives from government state that the WWF has launched the metric-tech project that improves technical skill and provides career counselling. This project will enable the youth to choose an appropriate field.

This would be helpful to the workers' families in pursuing the employment opportunities. All these technical education programmes are independent and the WWF is the governing body.

4.2.5 *Marriage Grants*

Marriage grants mainly support dowry in the wedding ceremonies and are provided in monetary terms. These grants are subject to many reforms; initially it was Rs. 30,000 which later on increased to Rs. 100,000 recently. Previously, this grant was available only for one daughter of a worker, however recently the government has increased its cover for all the daughters (please see Figure 7 in annex for details). The workers assert that the persistent inflation had devalued the currency and these grants should be at par with inflation rate. Government is restricting their access to these grants by applying conditions, only those workers can avail these grants who have served the industry at-least 3 years.

Currently the marriage grants are available only for girls, workers want to extend it for their boys as well. The late disbursement of funds is the most common problem reported by workers. Previously, applications were accepted after every three months, and funds were released in a shorter time period. But now the applications are collected once a year causing delays. The time taking scrutiny of documents prolonging this process further, and disbursement process might take 2-3 years.

The government representatives highlighted that past reforms have facilitated many workers. The workers are provided Rs. 100,000 for one marriage case but with a condition. This condition states that only one worker can apply for the marriage grant having a minimum service experience of three years. This restriction aims to discourage the flow of applications as the WWF has limited financial resources. This grant has facilitated 130,596 marriages over the time. Moreover, the daughters of deceased workers are also eligible for this grant.

It is evident that most of the marriage grants are secured by the Punjab province because it has the highest share in the industry (from the Figure 7 in annex). Second and third positions are secured by Sindh and Khyber Pakhtunkhwa respectively. The fourth position is covered by Balochistan, finally the federal area (Islamabad) comes at last. With a little variation, this trend persists among all the provinces over the time (see Figure 8 in annex). Since Punjab and Sindh both host industrial hubs in Pakistan that partially explains why they have more share in total expenditures as compared to other provinces. As the amount of money for marriage grant is same in each province so there is a close correlation between the number of marriage grants and the total expenditures.

4.2.6 *Death Grants*

The industrial workers earn marginal incomes which makes a difficult survival. If any of the workers die, the family of a deceased is deprived of many basic facilities. To protect such miserable families, WWF provides a death grant of Rs. 500,000 (please see Figure 10 in annex for details). However there are delays in the disbursement of these grants which are causing problems. A disbursement might delay 3-4 years if there are legal complications.

After the death of her husband, a widow has to wait for a certain time period to leave the house. This religious compulsion creates a delay in the preparation of documents. After that, she cannot do everything on her own in a male dominated society. Complex documentation practices require time and effort to precede the process. Additionally the social norms of for example in Khyber Pakhtunkhwa and in Balochistan do not allow widows to physically go door to door for filing of information. These grants can be more helpful to the widows if are provided through one window operation.

The provincial analysis portrays that Punjab has the highest share in the death grants. Then comes the Sindh, Khyber Pakhtunkhwa, Balochistan and finally comes the the federal area (please see Figure 11 in annex). The WWF provides the same amount of money for each death grant to each province. Though the total number of death grants in Punjab province is higher than any other province, yet total spending in the Sindh province is very close to the Punjab (please see Figure 12 in annex). This inconsistent spending pattern requires a more in-depth study at the provincial level.

4.3 **Social Impacts of the WWF Grants**

This section analyzes the impact of WWF grants through regional lens (urban vs. rural) and gender lens (male vs. female). It also takes into consideration the personal characteristics of workers (e.g. age and work experience). Finally, it would focus on dispensation of WWF services disturbed by natural calamities.

4.3.1 *Regional and gender specific Impacts*

The WWF housing colonies are located at both urban areas and peri-urban/rural areas. A caretaker is provided in each colony looking after the basic utilities such as clean drinking water, electricity and sanitation etc. These facilities are relatively good in urban areas as compared to the peri-urban areas where sanitation is the major problem. The caretakers are unable to work properly because of limited funds and narrow municipal services. A systematic mechanism for waste disposal is missing, so people throw garbage in nearby grounds. Over the time, the waste and garbage has mixed with ground water and has created hygienic problems. Health problem arise, and mostly children become their victims. Workers of the peri-urban areas demanded serious actions to overcome all these shortcomings in peri-urban areas.

4.3.2 Gender and age specific Impacts

Females face serious mobility problems, and are constrained by social norms. The female officers at the WWF office are rare, leading to communication gap which further adds to their miseries. The females in peri-rurban industries are less aware of their rights, the situation is relatively better in urban areas. Females pay a high transaction cost for the preparation of their grant documents. Technology at the female skill development centres is obsolete and needed to be updated. The certificates issued by these centres get a little probability of being hired in the private sector.

Age is an important factor in association with the welfare activities. A worker can avail the WWF grants as long as s/he is serving the industry, there is no post retirement incentive or grant. The poor workers feel much worried when they retire because they can not access basic medical facilities, no schools for their children and no houses. Hence, the welfare measures provided by the WWF are not sustainable. Such post-retirement difficulties are felt more acutely by female workers who are recruited after the death of a spouse. In overall terms, the marriage grant instrument does add towards gender empowerment given that it is a direct cash transfer which reduces the incidence of exclusion at least in the short term.

4.3.3 Natural Calamities

The WWF also provides assistance to earthquake and flood victims. Serving around 3293 beneficiaries across the country, it disbursed a grant of Rs. 50,000 to each affected worker in 2005. The devastating floods in 2010 affected the entire country and a number of industrial workers lost their property and other valuables. The Prime Minister announced a support of Rs. 1,000 million for the flood affected industrial workers. This timely provision of funds saved substantial number of workers from poverty. During 2011 floods, WWF distributed food items of Rs. 50 million in the Sindh province.

However the benefits given under WWF are little if compared to losses incurred in these areas. A quick rehabilitation of the educational infrastructure is required such as the construction of schools and technical institution. The social security hospitals and the housing colonies are also severely damaged by these natural calamities which needed a quick rehabilitation. If the proper rehabilitation activities are not started timely, they might cause severe damage to the human lives. The government officials assert that they are working on housing schemes, education, death and marriage grants in the flood affected areas.

4.3.4 The 18th Constitutional Amendment and WWF

Though the government has legislated for the 18th constitutional amendment but practically the operational mechanism of the WWF is controlled by the federal government. During the KIIs, the provincial officials asserted that provinces have no framework to run WWF at provincial level. Development of such framework might take several years. This require provincial WWF laws to be enacted by the provincial assemblies. If provinces are unable to draw a consistent framework, federal government would have to run the operational mechanism under the available standard operating procedures. In theory, however having such a programme at the federal level is a clear violation of 18th amendment. The federal government should work closely with provincial governments in devising its operational capacity.

5. Conclusion

Welfare programmes have become an integral part of social protection schemes as they promptly address the problems of labour with lesser transaction costs. These programmes work on short-term and long-term basis and ultimately help towards poverty reduction and social capital accumulation. They target poorest of the poor and their children, some facilitate the elderly whereas some operate under universal framework. These programmes also have a gender dimension whereby women are empowered through specific interventions.

Government of Pakistan (GoP) has been facing challenges in ensuring welfare of its industrial workers. It faces difficulties in the implementation of the macro-level labour reforms (e.g. the implementation of minimum wage – revised annually), however it is striving to put in place social safety nets such as Benazir Income Support Programmes. Within the overall ambit of social protection, the government has retained the Workers Welfare Fund (WWF) organization even after the 18th Constitutional Amendment which requires social sector programmes to be devolved to the provincial governments in order to improve service delivery at the provincial and sub-provincial levels. The provincial governments have however been urging the federal government to hand over the reins of WWF.

Previously, no recent study is available for the impact analysis of WWF, so the present study aims to fill this vacuum with the help of qualitative research tools. A total of 10 FGDs (2 per instrument) and 10 KIIs (2 per instrument) were conducted to collect the qualitative data. The key issues raised in our FGDs and KIIs fundamentally focus on the operational efficiency of WWF. Many success stories are identified in this study explaining how each instrument has benefited the targeted beneficiaries. However it also identifies grievances of current and past WWF beneficiaries that need to be addressed.

The first important concern highlighted was access and certainty to education grant. Two issues hinder timely

receipt of such grant namely: colossal amount of documentation required to claim the right, and delays involved in fee disbursement. The schools provided under WWF also have access problems. Several of them are substantially far from the colonies in which workers' children are residing. Second it has been noticed that construction of new housing schemes is moving at a slower pace with compromised quality. Furthermore the maintenance of housing (repair work) is not being done on a regular basis making many of the housing units unsatisfied. Third sanitation and sewerage issues in these colonies are creating health and environmental hazard. Fourth common places such as parks and grounds for children have been encroached and no dedicated effort was observed by our team in which WWF has taken up this issue of encroaching with the municipal authorities or even the highest officials within WWF and the Ministry. Five the health facilities are provided with discrimination and rent-seeking. The employer's recommendation also plays a big role in this provision. A one window operation for both emergency cases and those health facilities is required. The workers retired from WWF cannot access health facility (and any other WWF instrument), this fact is still waiting for justification by WWF.

6. Policy Recommendations

In the light of above mentioned finding, the present study presents the following recommendations:

- Educational grants are investment in education having far reaching impact on economic growth. The scale and scope of these grants should be increased.
- The amounts of welfare grants are increased on an arbitrary basis, a scientific base with the help of dynamic micro-simulation is more desirable.
- Modern skill development centers for females should be increased.
- The families of workers should be provided respectable post-retirement living standards.
- Quick rehabilitation of educational infrastructure, social security hospitals and the housing colonies is required for earthquake and flood hit areas.
- Finance division should not divert WWF savings towards its budgetary financing.
- Strong synergies should be created with other social safety nets on-ground to achieve efficiency, particularly with Benazir Income Support Programme (BISP), Zero-Hunger Programme, Provincial cash transfer programmes etc.
- Evasion from rules, law and malpractice can be reduced through the biometric system connecting both Federal Board of Revenue (FBR) and National Database and Registration Authority (NADRA).
- There is a need to improve the process of grant disbursements, introduction of online system can expedite this slow process.
- Currently, high transaction costs are attached in filing of claims. There is a need to squeeze the number of documents required for claiming grants.
- It is recommended that WWF should follow the examples set by Emergency Relief Cell, BISP and NADRA in automating their processing and disbursement procedures. One window operation and e-governance can imply a faster assessment on regular basis.
- A formal grievance redressal mechanism should be introduced using easy and cheap technology such as the Short Message Service (SMS) in order to register a complaint.
- For better monitoring and evaluation purpose, verification of workers should be interlinked with national identification system.
- A compliance unit should be formulated to ensure future feedback on reforms.
- A set of dedicated foreign and local trainings should be designed, it would give exposure to the WWF management of similar programmes abroad.
- To increase the efficiency, WWF staff should be regularly evaluated through result based management and key performance indicators.

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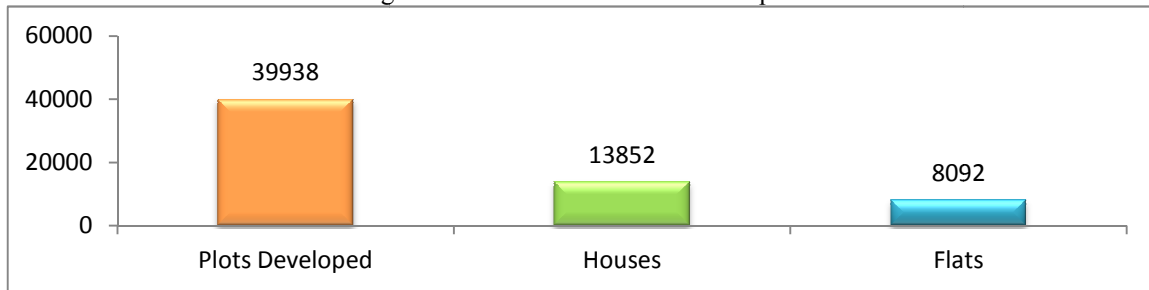
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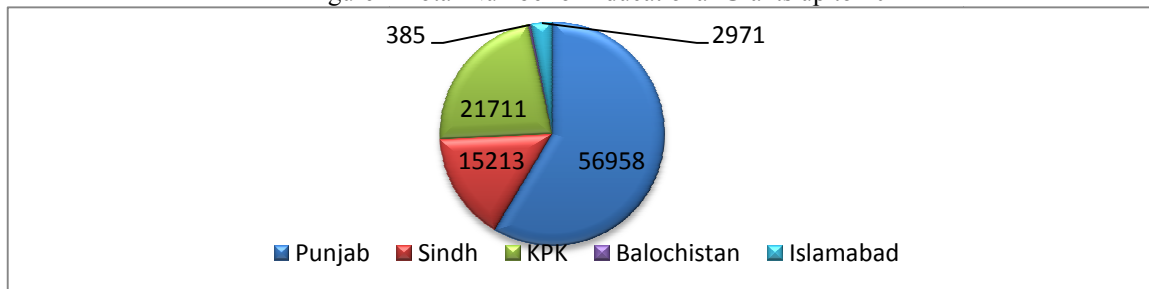
Annex

Figure 1 Total Residential Schemes up to 2012



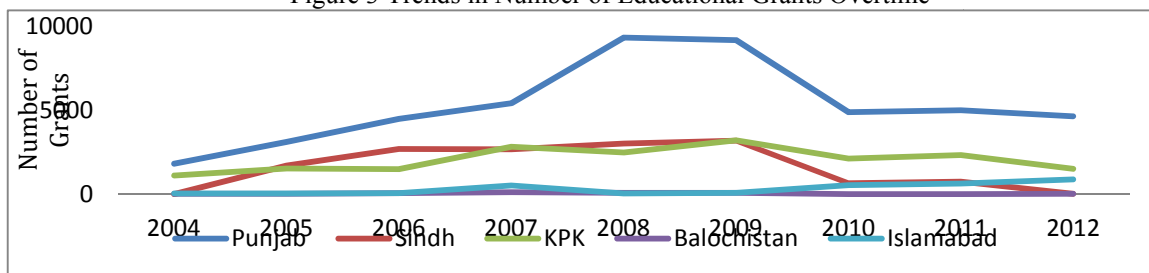
Source: Ministry of Human Resource Development, Government of Pakistan

Figure 2 Total Number of Educational Grants up to 2012



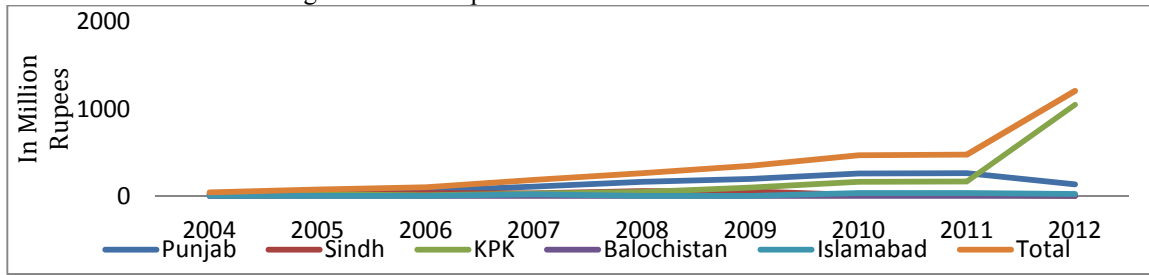
Source: Ministry of Human Resource Development

Figure 3 Trends in Number of Educational Grants Overtime



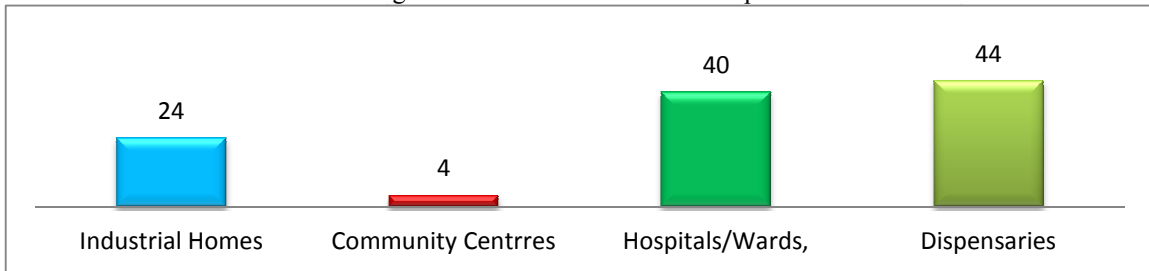
Source: Ministry of Human Resource Development

Figure 4 Total Expenditures on Educational Grants Overtime



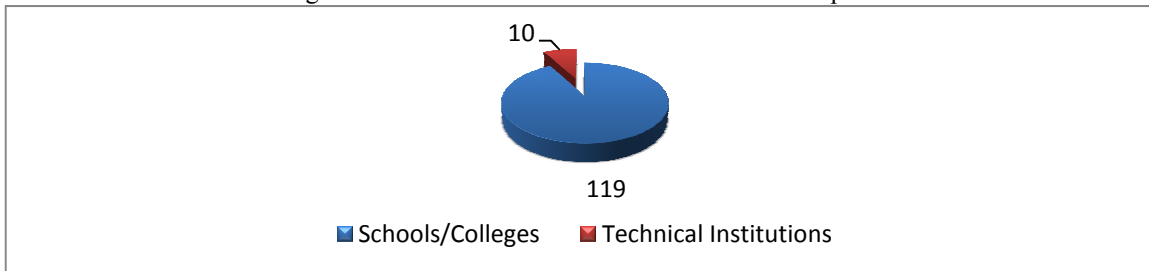
Source: Ministry of Human Resource Development

Figure 5 Total Welfare Measures up to 2012



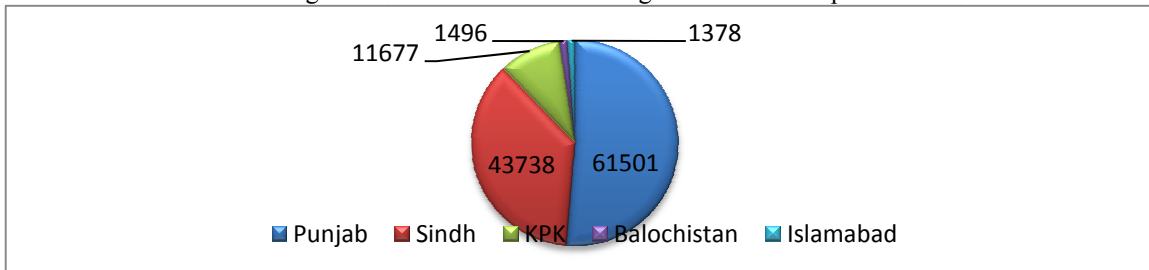
Source: Ministry of Human Resource Development

Figure 6 Total Schools and Technical Institutions up to 2012



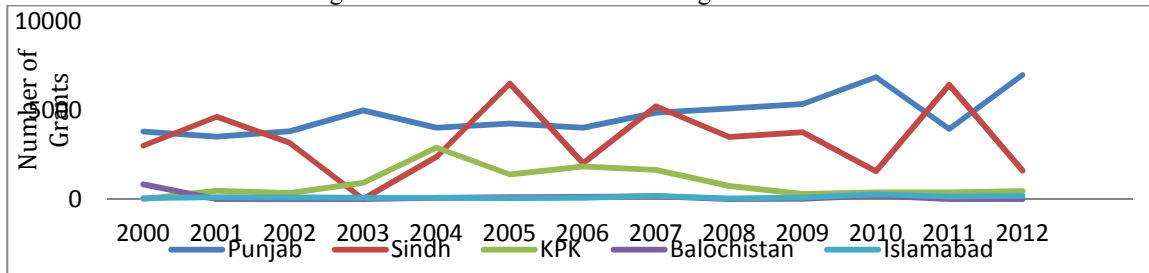
Source: Ministry of Human Resource Development

Figure 7 Total Number of Marriage Beneficiaries up to 2012



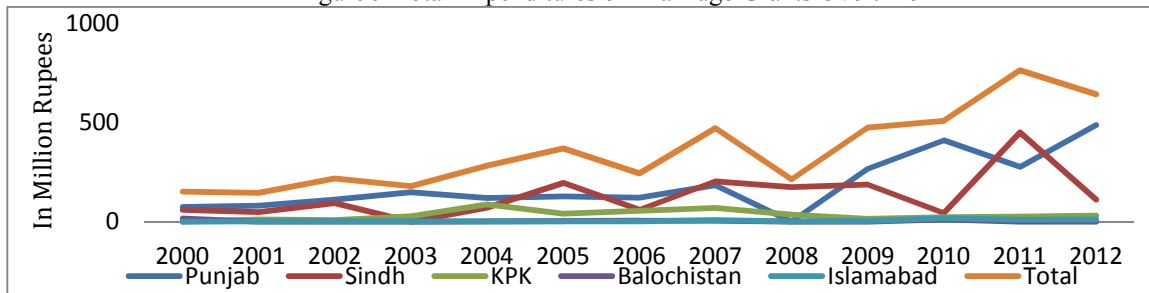
Source: Ministry of Human Resource Development

Figure 8 Trend in Number of Marriage Grants Overtime



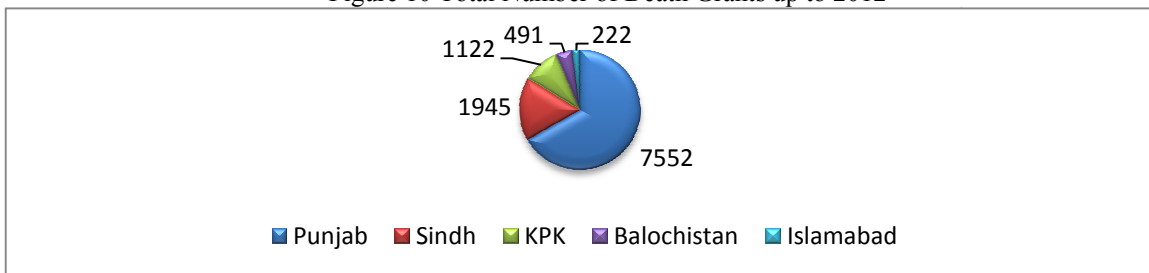
Source: Ministry of Human Resource Development

Figure 9 Total Expenditures on Marriage Grants Overtime



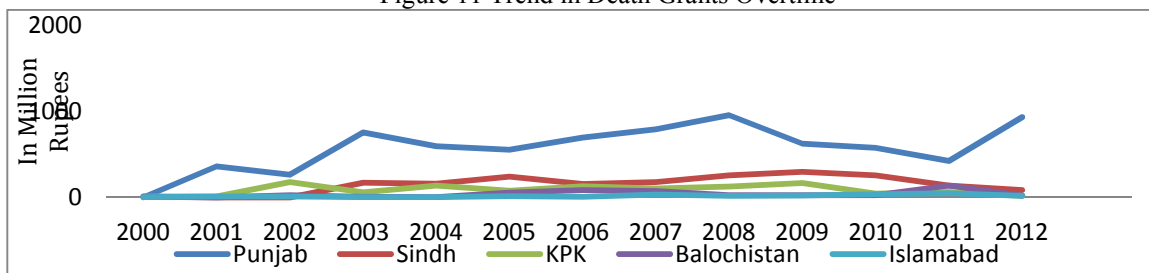
Source: Ministry of Human Resource Development

Figure 10 Total Number of Death Grants up to 2012



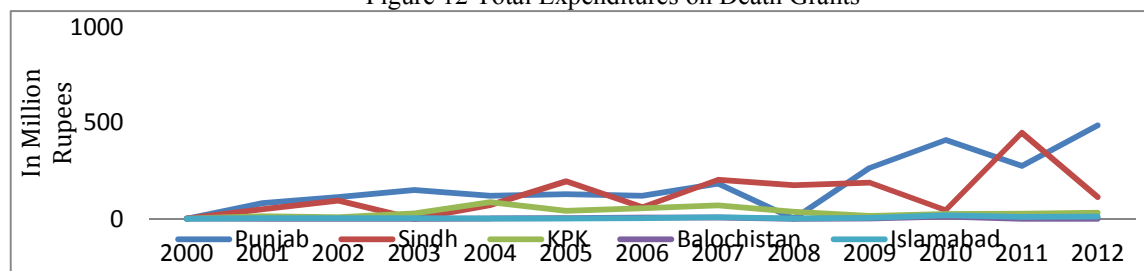
Source: Ministry of Human Resource Development

Figure 11 Trend in Death Grants Overtime



Source: Ministry of Human Resource Development

Figure 12 Total Expenditures on Death Grants



Source: Ministry of Human Resource Development

Documents required for the scholarship

1. Copy of Computerized National Identity Card (CNIC) of the workers attested by the employer.
2. Copy of factory registration certificate under the Factories Act 1934, Mines Act 1923 and the Shops and Establishment Ordinance 1969.
3. Copy of Factory Card duly attested by the employer.
4. Worker job description duly attested by the employer.
5. Copy of Social Security card (R-5) or EOBI card duly attested by the employer.
6. Copy of Appointment letter duly attested by the employer or a certificate of service in original bearing complete contents of employment.
7. Copy of student card attested by the head / authorized officer of the educational institution.
8. Copy of CNIC or B Form of the student issued by NADRA and attested by the employer
9. Certificate of enrolment issued by the head or authorized officer of the educational Institution.
10. In case, if the educational institution is other than the public entity, then a copy of notification regarding registration or affiliation of the institute concerned with government, directorate, HEC etc.
11. An affidavit by the student on a stamp paper of Rs. 20, duly attested by the Oath Commissioner bearing the undertaking to refund all the educational expenses incurred on his/her education if he / she left the education at an incomplete stage of the respective class/ programmed.
12. Original payment vouchers, or copies thereof duly attested by the head of educational Institute / authorized officer regarding educational expenses /boarding charges/mess charges or other expenditure.

Questions for Focus Group Discussion (FGD)

Note: This focus group discussion (FGD) is intended for WWF beneficiaries males and females (25-49 years), officials, community elders

1. Since when are you part of WWF as a beneficiary or official?
2. Which WWF benefits have you accessed to date?
3. Have you noticed any changes in the operations of WWF with respect to the filing and claiming of rights, liaison (communication) with officials, accessing payments and raise in allocation etc.
4. How has your household benefitted economically and socially?
5. How has its impact on the community?
6. Have you had any grievances (complaint) in this regards?
7. How have your grievances been addressed?
8. Does a formal grievance redressal (compensation) mechanism exist
9. In your opinion how have WWF receipts helped you in terms of economic, educational or social uplift?
10. Has there been any negative consequences of such receipts at the community level?
11. Have there been any differences across gender with regards to WWF receipts e.g. discrimination while disbursement of funds, liaison with officials etc.
12. In your opinion how can WWF operations be further streamlined (simplified) for better service to clients?

Questions for Key Informant Interviews (KIIs)

1. What are the recent reform measures taken to improve the working of WWF?
2. How complaints of industrial workers are addressed?
3. How complaints are registered?
4. What are your future plans about the expansion of fund?
5. On what basis, educational grants are provided?
6. Along with the education, children needs counselling for their career development. Is the government

doing something for this?

7. What are the nature of educational grants and their scale?
8. How do you maintain the acceptable standards of education?
9. Had the government taken any measure to improve the work efficiency in industrial workers?
10. Do you feel that funds should be transferred from educational grants towards skill development?
11. Did you provide any vocational training in school?
12. Specify its training capacity for males and females?
13. Does it plan to improve the working conditions in the organizations? The case of recent accident in Karachi.
14. Do you provide any medical coverage if industrial workers or someone in their family is sick?
15. How do you provide medical grants in case of emergency?
16. What are your plan to expand and to improve the housing schemes?
17. How many categories are there under this housing schemes?
18. How much do you pay in case of death grants?
19. How much do you pay in case of marriage grants?
20. How long does it take for the disbursement of funds?
21. What is the mode of payment?
22. Did the 18th constitutional amendment change of operational structure of WWF?
23. What will be the new role of the provincial governments and the federal government?
24. Is there any systematic mechanism to check out the impact of the WWF grants and its feedback.
25. Has there been any past study produced on the working and operations of WWF?

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