

12

Population, Labour Force and Employment

Introduction:-

The size of a country's population, its growth rate, fertility rate and its distribution in various age groups and evaluation in the context of income distribution is very important for assessing the productive capacity of its economy, and estimating the quantity and quality of goods and services, the nation is producing and likely to produce in future. The accuracy of estimates of population dynamics is equally important for governments, businesses, and economic analysts for planning, decision making and analyzing economic performance.

Pakistan's last population census was conducted in 1998 and working on 2011 census is in process. In the inter-census period, the population for each year is estimated on the basis of demographic and fertility studies. The Sub Group II on Population Projections for the 10th Five Year Plan 2010-15 has revised population estimates since 1999-2000 on the basis of various background studies. According to this estimate, Pakistan's population in mid-2011 is estimated at 177.1 million¹ - 2.1 percent higher than last year. It was only 32.5 million at the time of independence but we added 144.6 million more people during the last 64 years. Pakistan's population has been growing at a decelerating pace but still Pakistan has one of the highest population growth rates in the world. Population growth has decelerated from 3.06 percent in 1981 to 2.07 percent in 2011 [See Table-12.1 and 12.2].

Higher population growth rate means, more people to feed, more families to house, more children to educate, and more people looking for gainful employment. The problem becomes even

more serious if it is not supported by healthy economic growth. The reasons for this modest decline by almost 1.01 percentage points in 30 years are; decline in mortality rate owing to the elimination of epidemic diseases, improvement in medical services and the invention of good medicines on the one hand and a modest decline in fertility rate on the other resulted in negligible decline in population growth.

Table-12.1: Net Addition in Population

	Births	Deaths	Net Addition
In One Year	4.82M	1.29 M	3.53 M
One Month	401,667	107,500	294,167
One Day	13,205	3,534	9,671
One Hour	550	147	403
One Minute	8	2	6

Source: Planning and development Division (Projection made by Sub Group II)

12.2: Population Growth Rates (%)

Period	PGR (%)
1951 – 61	2.45
1961 – 72	3.66
1972 – 81	3.05
1981 – 98	2.69
2010	2.05

Source: National Institute of Population Studies

Demographic Dividend

An analysis of the Asian countries experience depict that the East Asia has seen a dramatic and rapid demographic transition over the last four decades. Prior to moving on a rapid and sustained economic growth path, the share of the young population (age 0-14) has been on averaging 40 percent while those of working age population (prime age 25-59) averaged 35 percent and old age (65 plus) averaged 3.5 percent. Due to declining fertility and mortality rates, the share of the working age also started rising, approaching 50 percent in East Asia. Empirical evidence suggests that a large part of East Asia's

¹ This figure represent End-June 2011 estimate which is different from population figure used in National Account and Growth Chapter due to different treatment (using End-December figure)

spectacular economic growth derives from demographic transition, i.e. from working age population bulge because those countries have invested in their population and converted them in highly skilled human capital. This transition from a young to prime age population presented a demographic gift because East Asia has had relatively fewer young population compared with earlier periods which resulted in small group of dependents/non productive population. In countries where an increasing share of the population is of working age, economic growth per person tends to be highest and national saving tends to rise.

The same demographic transition that benefited East Asia over the last 45 years will benefit South Asia during the next one and half decades. Pakistan being located in South Asia will benefit from the same demographic transition. In near future Pakistan will pass through a demographic transition which will result in almost 67 percent working force (Age 14-65) in 2030 and this change in demographic structure will be because of a steady decline in population growth since 1981. Demographic transition provides an

opportunity for raising economic growth and increasing prosperity, it is not automatic. It will depend whether Pakistan succeeds in mobilizing sufficient capital (investment) and use it efficiently with the rising working age population. This, in turn, will depend largely on government's socio-economic policies. If the workforce is better educated, it will be better placed to contribute to economic growth.

Demographic transition poses enormous challenges for the government to manage the economy efficiently to reap maximum transition benefits. Investment in people, maintaining macroeconomic stability, and achieving higher economic growth on sustained basis should form the basis of economic policy making.

Review of Demographic Indicators 2009-10

The estimated demographic indicators reflect improvement in life-expectancy fall in total fertility rate. Some of the selected demographic indicators for 2009-10 in comparison to 2010-11 are documented in Table-12.3. It emerges that going forward rapid decline in fertility rates will be challenging.

Table-12.3: Selected Demographic Indicators

	2009-10 (1 st July)	2010-11 (1 st July)
Total Population (million)	173.5	177.10
Urban Population (million)	63.05	65.3
Rural Population (million)	110.46	111.8
Total Fertility Rate (TFR)	3.6	3.5
Crude Birth Rate (per thousand)	28.4	27.50
Crude Death Rate (per thousand)	7.6	7.30
Population Growth Rate (percent)	2.1	2.05
Life Expectancy (years)		
- Females	65.4	67.9
- Males	63.6	64.18

Source: P&D, Division, National Institute of Population Studies (NIPS), CIA Fact Book

Fertility in Pakistan

Total Fertility Rate means average number of children that would be born per woman if all women lived to the end of their childbearing years and bore children according to a given fertility rate at each age. The Total Fertility Rate (TFR) is a more direct measure of the level of fertility than the crude birth rate, since it refers to births per woman. Global fertility rates are in general

declining and this trend is most pronounced in industrialized countries, especially Western Europe, where populations are projected to decline dramatically over the next 50 years. Fertility in Pakistan has shown a widely acknowledged resistance to change because of sharp declines in mortality in the post-World War II period when the population of Pakistan was growing at the rate of 2.7 percent per annum around 1960 with TFR 7.95. A continuous decline

in TFR in our country for the last few years can be seen from the table, 12.4

Regional Demographics:

If we compare Pakistan's population planning indicators with its immediate neighbours and with some Muslim countries, it is transparent that Pakistan's indicators are poorly comparable with regional or Muslim countries. More efforts needed to improve on these indicators.

Table-12.4: Trend in Fertility Rate (%)

Year	TFR
2006	4.0
2007	3.9
2008	3.8
2009	3.7
2010	3.6
2011	3.5

Source: Sub group II on population projections for the 10th Five Year People Plane 2010-15

Table-12.5: Family Planning Indicators of Regional Countries

Country	Total Fertility Rate	Contraceptive Prevalence Rate %	Population Growth Rate %
Asia	2.4	67	1.1
Bangladesh	2.8	58	1.7
Bhutan	2.2	31	1.4
India	2.8	56	1.5
Maldives	2.6	39	1.9
Nepal	3.2	48	2.0
Sri Lanka	1.9	70	0.5
Pakistan	3.5	30	2.05

Source: i) State of the world population 2008, United Nation Fund for Population Activities (UNFPA) Population Projections by Planning Commission's Working Group on Population Sector, 2010
ii) Sub Group II on Population Projections for the 10th Five Year People's Plan 2010-15

Table-12.6: Family Planning Indicators of Muslim Countries

Country	Total Fertility Rate	Contraceptive Prevalence Rate (%)	Population Growth Rate (%)
Egypt	3.2	59	1.8
Morocco	2.4	63	1.2
Turkey	2.1	71	1.3
Iran	2.0	74	1.4
Indonesia	2.2	58	1.2
Malaysia	2.6	55	1.7
Pakistan	3.5	30	2.05

Source: i) State of the World Population 2008, United Nations Fund for Population (UNFPA) Population Projections by Planning Commission's Working Group on Population Sector, 2010
ii) Sub Group II on Population Projections for the 10th Five Year People's Plan 2010-15

Crude Birth Rate, Crude Death Rate, Infant Mortality Rate

Population trends are best explained by CBR (Crude Birth Rate), and CDR (Crude Death Rate). These show the growth and decline of a population per thousand births while IMR (Infant Mortality Rate) is the number of newborns who dies before celebrating their first birth day. Since mortality rates at other than very young ages are largely unknown in our country. A gradual

improvement can be seen in these indicators because of revolutionary progress in medical science. During the 1990s CBR, CDR and IMR were 36.4, 9.4 persons and 94 infants, respectively and in 2011 these are 27.5, 7.3 persons and 7.5 infants, respectively.

Age Composition of Population

According to 1998 Population Census of Pakistan, 43 percent of the population was of children under

15 years, 53 percent was between the ages of 15-64 years, and about 4 percent was 65 years and above. This information shows that a big proportion of the population has been of children implying that they are dependents on the economy of the country. About four percent of the population happens to be of old persons, another group of dependents. About one half of the population is that of women, who, with the exception of few, are usually considered as dependents. In this way the age structure of the

population of Pakistan shows that majority (nearly two thirds) of them are dependents. Presently, Pakistan is going to become young as 60 percent of its population is lying under 15-65 years of age and it will continue to increase resulting in low dependency ratio and increasing working age population \labor force. This gradual shift to a youthful age structure in Pakistan is due to the declines in birth and death rates that occur at the beginning of the demographic transition.

Table-12.7: Population by Age Groups ; Pakistan

AGE GROUP	Millions Nos.					
	1998	2010	2015	2020	2025	2030
00-04	14.80	21.81	22.76	23.28	22.44	20.35
05-09	15.65	20.17	21.33	22.35	22.95	22.18
10-14	12.95	20.19	20.07	21.24	22.28	22.88
15-19	10.37	19.88	20.12	20.01	21.19	22.24
20-24	8.97	17.22	19.80	20.05	19.95	21.14
25-29	7.37	14.81	17.13	19.71	19.98	19.89
30-34	6.22	12.50	14.72	17.04	19.62	19.91
35-39	4.77	10.49	12.40	14.62	16.94	19.53
40-44	4.44	8.64	10.36	12.27	14.49	16.81
45-49	3.53	7.09	8.49	10.20	12.01	14.31
50-54	3.21	5.81	6.88	8.26	9.95	11.84
55-59	2.15	4.68	5.53	6.57	7.93	9.60
60-64	2.04	3.64	4.31	5.13	6.14	7.45
65+	3.50	6.60	7.82	9.39	11.39	13.93
TOTAL	132.35	173.51	191.71	210.13	227.35	242.05

Source: National Institute of Population Studies, Planning & Development Division, June 2010.

Urbanization

Urbanization is a cyclical process through which a nation normally passes as it evolves from an agrarian to an industrial society as urbanization is interpreted as a process involving the absolute and relative growth of towns and cities within a defined area. The rapid growth of cities is a common and persisting demographic phenomenon in most of the developing countries including Pakistan. This growth has led to an increase in the degree of urbanization. In Pakistan, for example, the proportion of total population living in urban areas has increased from only 17.8 percent in 1951 to about 32.5 percent in 1998 and 37 percent in 2010-11.

Although within the Asia-Pacific region, based on both the level of urbanization and urban growth, Pakistan is grouped with countries having moderate level of urbanization, it has the highest share of population living in cities (urban areas) among the South Asian countries. It has also been projected that about half of Pakistan's population will be living in cities by the year 2030. Both the natural increase (population growth) and net migration are the major contributory factors to urban growth. Table 12.8 depicts that the share of urban population will continue to increase and almost fifty percent population would be living in urban areas by the year 2030.

Table-12.8: Urban Population and Urban Annual Growth Rate of Pakistan

Year	Urban Population	Urban Annual Growth Rate
2010	66.318	2.97
2015	77.420	3.10
2020	90.199	3.06
2025	104.735	2.99
2030	121.218	2.92

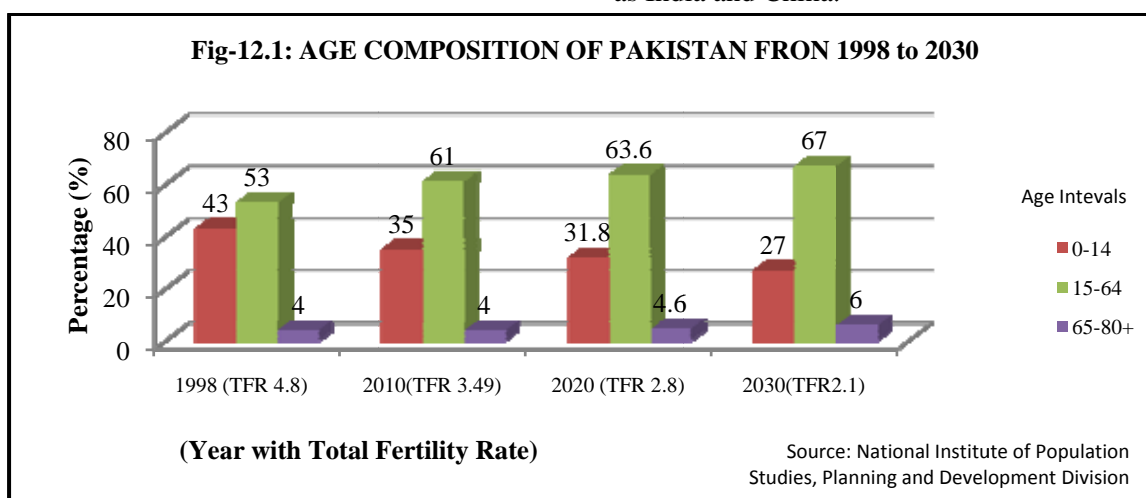
Source: World Urbanization Prospects 2009, Revision Population Database

It is worth noting that the level of urbanization in Pakistan is highest among the South Asian countries. The levels of urbanization in East and Southeast Asian countries, however, are in general higher than the levels in South Asian countries including Pakistan.

Reaping the Demographic Dividend

Fertility declines and the resulting demographic dividend operate through the interaction between the economic lifecycle and population age structure. The dividend results from an increase in the share of the population at ages with a production surplus, which leads to higher per

capita income, higher consumptions and potentially higher savings. The fertility decline that has been underway in Pakistan since the late 1980s has already begun to effect age composition and dependency ratios. i.e., the ratio of persons under 15 and above 64, to persons between 15 and 64. These changes in age structure are seen pictorially in the broadening of the age pyramid of Pakistan between 2005 and 2030, being most accentuated in the case of rapid fertility decline Pakistan is a 'late starter' in the process of demographic transition and it will also be one of the last to complete it. It will therefore experience its dividend much later than other neighbours such as India and China.



It is quite transparent from the above graph that gradually Pakistan is becoming young as in 1998 proportion of people in the age interval of 15-65 was 53% while it will be 67% in 2030. One important point relating to reproductive age group is that in 1998, 22 percent female were in reproductive age (15-49) and there will only be a fractional increase in this age group over the next 20 years as this ratio will remain 26 percent in 2010 and 2020 and 27 percent in 2030.

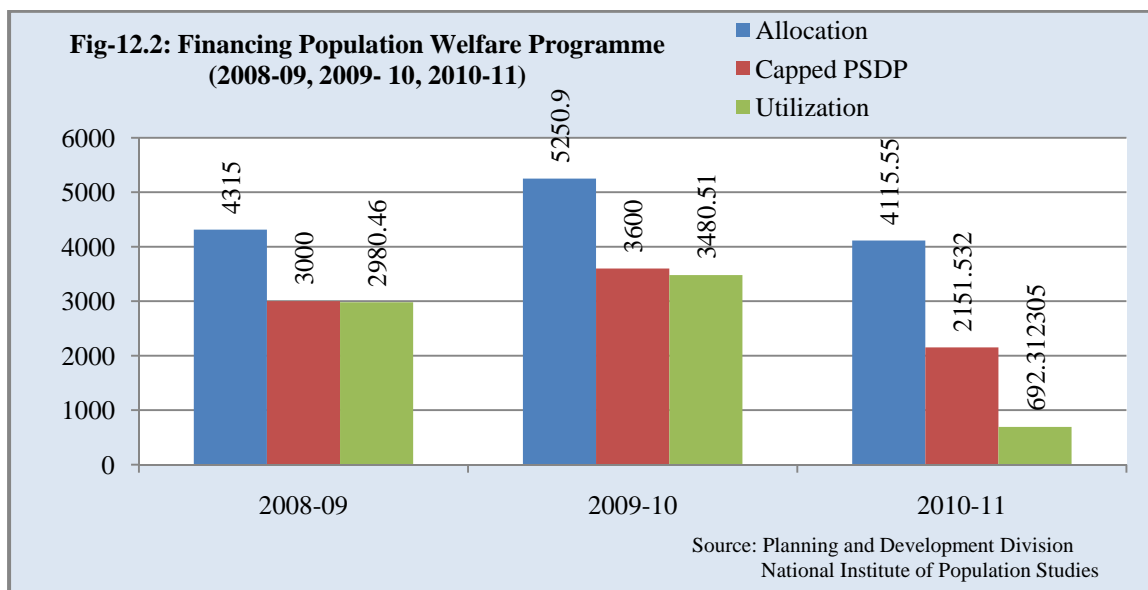
Review of Financial Performance

The following chart depicts that during the financial year under review, 2009-10 an amount of Rs 5250.9 million (including Rs 225 million as a foreign exchange) was allocated to 29 projects and programmes of the population sector, which was Rs 935.9 million (21.6%) more than previous period allocation of Rs 4315.00 million. However,

the programme has been capped at Rs 3600.00 million and both the Federal and Provincial Population Welfare Programmes are likely to utilize an estimated amount of Rs 3,480.5 million (96.6% of the capped PSDP) by the end of June, 2010

Physical Achievements

During 2009-10, the Population Welfare Program established 3327 service delivery outlets, which include (a) 2853 Family Welfare Centers (FWCs) (b) 182 Reproductive Health Service – A (RHS-A) centers; and (c) 292 Mobile Service Units (MSUs), and 5133 Social Mobilizers (male). The target of MSUs set for the said period has been fully achieved.

**Table-12.9: Physical and Contraceptive Users Targets**

(Cumulative Number) Name of Service Outlet / Unit	2009-10 (Target)	2009-10 (Achievement)	2010-11 (Target)
Public Sector			
Family Welfare Centers (FWCs)	3248	2853	3248
Reproductive Health-A Centers	260	182	260
Mobile Service Units (MSUs)	292	292	293
Contraceptive users (million)	8.893	-	8.595
Private Sector			
RHS-B Centers	149	129	149
Registered Medical Practitioners (RMPs)	13190	12140	24347
Hakeems and Homeopaths	13701	13701	13776

Note. On the reorganization of Federal Secretariat in pursuance of constitution (Eighteenth Amendment) Act, 2010 (Act No. X of 2010), Ministry of Population Welfare has been devolved on December 6, 2010 and all matters/functions have been transferred to provinces. Therefore information on utilization of funds is up to December 7th 2010

Source: Ministry of Population Welfare

PSDP Allocation, 2010-11

The Population Welfare Program for the fiscal year 2010-11 is in line with sectoral targets and objectives set in proposed 10th Five Year Peoples Plan and Millennium Development Goals (MDGs). An amount of Rs 4115.5 million has been earmarked in the PSDP 2010-11 to the Federal and Provincial Population Welfare Programs. There is an increase of Rs 515.5 million (14 percent) over the capped PSDP of Rs 3,600 million in the financial year (2009-10).

However, program was capped at Rs.2151.5 million owing to devolution of the subject to the provinces in December 2010.

Labour Force Employment & Unemployment

Without productive employment, achieving the goals of decent living standards, social and economic integration, personal fulfillment and social development becomes a chimera. Enterprise promotion and human resource development are key elements in achieving these goals. Pakistan is

the 9th largest country in the world with respect of the size of its labour force in 2010. According to the Labour Force Survey 2009-10, with a population of 173.51 million and crude participation rate of 33 percent, Pakistan has a labour force of 54.92 million people which is 1.20 million more than the previous year. The proportion of both, male and female, is increased by 0.53 and 0.67 million, respectively as given in the Table-12.10.

Table-12.10: Labour Force (Million Nos.)

Year	2008-09	2009-10
Total	53.72	54.92
Male	41.91	42.44
Female	11.81	12.48

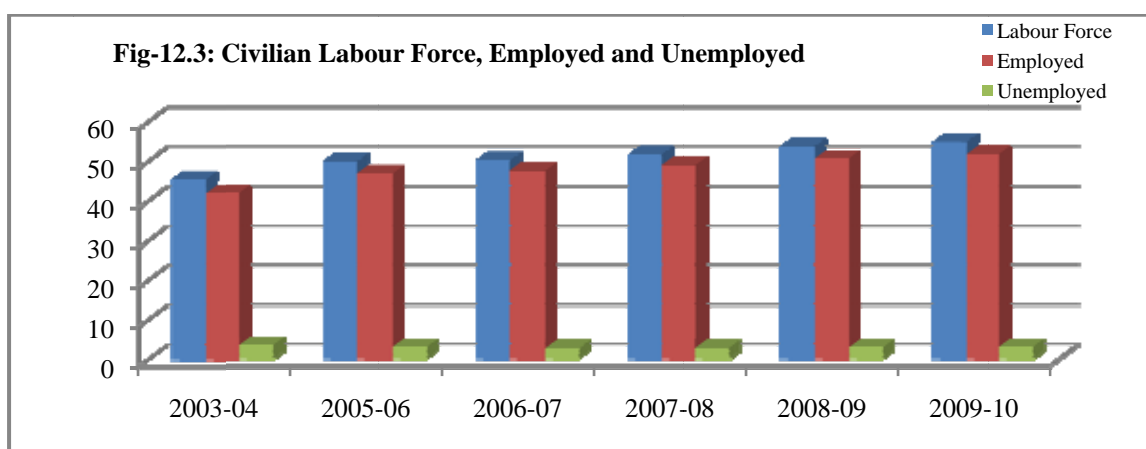
Source: Labour Force Survey 2009-10

According to LFS 2009-10 unemployment rate is fractionally higher than the previous i.e. 5.6 in 2009-10 and 5.5 in 2008-09, the change is visible in case of females while male employment rates remain more or less constant.

Table-12.11: Civilian Labour Force, Employed and Unemployed for Pakistan (Million No.)

YEAR	2003-04	2005-06	2006-07	2007-08	2008-09	2009-10
Labour Force	45.5	50.05	50.33	51.78	53.72	54.92
Employed	42	46.95	47.65	49.09	50.79	51.87
Unemployed	3.5	3.1	2.68	2.69	2.93	3.05

Source: Various Issues of Labour Force Survey



Labour Force Participation Rates:

In Pakistan labour force participation is estimated on the basis of Crude Activity Rate (CAR) and Refined Activity Rate (RAR). CAR is the currently active population expressed as percentage of the total population in the country and RAR is the percentage of labour force in the population of persons having 10 years of age and above. RAR enables international comparisons by factoring in the effect of age composition. Crude

participation rate (33.0 percent) suggests fractional improvement as compared to that of LFS 2008-09 (32.8 percent). However, improvement is more of rural than urban and female than male provenance. In case of refined participation rate it generally follows the pattern of crude participation rates, though, with wider rural-urban and male-female disparity. Refined activity rate also shows a little gain as compared to previous survey i.e. 45.9 percent from 45.7 percent.

Indicators	2008-09	2009-10	Indicators	2008-09	2009-10
Crude Activity (Participation) Rates (%)			Refined Activity (Participation) Rates (%)		
Pakistan			Pakistan		
Total	32.8	33.0	Total	45.7	45.9
Male	49.6	49.5	Male	69.3	68.8
Female	14.9	15.5	Female	20.7	21.5
Augmented			Augmented		
Total	38.8	38.8	Total	53.9	53.9
Female	27.0	27.2	Female	37.5	37.9
Rural			Rural		
Total	34.3	34.5	Total	49.2	49.4
Male	49.2	49.0	Male	71.0	70.2
Female	18.5	19.3	Female	26.4	27.6
Augmented			Augmented		
Total	42.7	42.6	Total	61.2	61.0
Female	35.6	35.8	Female	50.7	51.2
Urban			Urban		
Total	29.9	30.0	Total	39.3	39.5
Male	50.4	50.6	Male	66.3	66.4
Female	7.6	7.8	Female	10.1	10.3
Augmented			Augmented		
Total	31.0	31.1	Total	40.8	41.0
Female	9.9	10.1	Female	13.1	13.3

Source: Labour Force Survey 2009-10

Augmented activity rate is based on probing questions from the persons not included in the conventional measure of labour force, to net in

marginal economic activities like subsistence agriculture, own construction of one's dwellings.

Table 12.13: Employment Trend and Changes from 1996-97 and 2009-10

(million Nos.)

Year	Pakistan		Rural		Urban	
	Employed	Change	Employed	Change	Employed	Change
1999-00	36.32	2.19	25.55	1.68	10.77	-0.01
2001-02	38.88	2.56	26.66	1.11	12.22	1.45
2003-04	42.00	3.12	28.81	2.15	13.19	0.97
2005-06	46.95	4.95	32.49	3.68	14.46	1.27
2006-07	47.65	0.70	33.11	0.62	14.54	0.08
2007-08	49.09	1.44	34.48	1.37	14.61	0.07
2008-09	50.79	1.70	35.54	1.06	15.25	0.64
2009-10	51.87	1.08	36.33	0.79	15.54	0.29

Source: Various issues of Labour Force Survey Federal Bureau of Statistics

Labour Force Participation Rate: Age Specific

Most productive interval of a person's age is generally between twenties and fifties (20-50). The comparative size of gender disparity, though, considerable in all age intervals, seems to be

shrinking. Most of age groups post a sort of increase in the participation rates. Similarly, most of the age groups indicate rise in female participation rates while that of males make a mixed picture.

Table-12.14: Age Specific Labour Force Participation Rate (%)

Age Groups	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
10-14	13.1	16.2	9.5	12.6	15.4	9.2
15-19	37.0	52.7	18.9	37.1	52.7	19.2
20-24	53.8	85.4	22.7	54.7	84.5	23.9
25-29	57.5	96.6	22.8	58.0	96.3	24.7
30-34	58.8	97.9	24.6	59.1	97.6	26.4
35-39	62.2	98.5	27.7	62.2	97.4	29.0
40-44	62.7	98.2	27.6	62.4	97.7	26.6
45-49	62.6	97.3	26.8	65.0	97.4	29.5
50-54	63.1	95.9	24.5	64.7	96.4	29.3
55-59	62.8	93.7	26.4	62.6	93.3	28.0
60+	38.6	56.4	15.2	37.6	55.5	13.5

Source: Labour Force Survey 2009-10

Labour Force: Absolute Figures

The absolute figure of labour force is the multiple of crude participation rate with mid reference year estimate of the population. According to LFS 2009-10, labour force has increased from 53.72

million in 2008-09 to 54.92 million in 2009-10. The volume of labour force increased in Punjab and Sindh while decreased in Khyber Pukhtoon Khawa and Balochistan. Changes are more prominent in case of female in northern provinces as compared to southern ones.

Table-12.15: Area and Sex-Wise Distribution of Labour Force (Million Nos.)

Province\Area	Labour Force					
	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
Pakistan	53.72	41.91	11.81	54.92	42.44	12.48
Rural	37.30	27.51	9.79	38.17	27.77	10.40
Urban	16.42	14.40	2.02	16.75	14.67	2.08
Punjab	31.82	23.89	7.93	33.04	24.18	8.86
Rural	22.58	16.01	6.57	23.48	16.09	7.39
Urban	9.24	7.88	1.36	9.56	8.09	1.47
Sindh	13.16	10.95	2.21	13.46	11.31	2.15
Rural	7.50	5.76	1.74	7.74	6.04	1.70
Urban	5.66	5.19	0.47	5.72	5.27	0.45
KPK	6.53	5.13	1.40	6.25	5.05	1.20
Rural	5.48	4.23	1.25	5.23	4.14	1.09
Urban	1.05	0.90	0.15	1.02	0.91	0.11
Balochistan	2.21	1.94	0.27	2.17	1.90	0.27
Rural	1.74	1.51	0.23	1.72	1.50	0.22
Urban	0.47	0.43	0.04	0.45	0.40	0.05

Source: Labour Force Survey 2009-10

Employment Status:

Pakistan's greatest asset is its quality human resource on which progress and prosperity of the country largely depends. Paucity of resources constricted policies to properly develop human resources and their effective utilization. During

the LFS 2009-10 and LFS 2008-09, there is a marginal increase in the comparative profiles of own account workers and employers while decrease in the case of employees and unpaid family workers. Gender disaggregated figures indicate mixed trend.

Table 12.16: Employment Status by Sex (%)

	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
Employers	1.2	1.5	0.1	1.3	1.6	0.1
Self employed	33.3	38.7	13.1	34.2	40	13.6
Unpaid family Helpers	29.7	20.2	65	29.1	18.7	66.3
Employees	35.8	39.6	21.8	35.4	39.7	20
Total	100	100	100	100	100	100

Source: Labour Force Survey 2009-10

Table 12.17: Employment Status by Region

(Millions)

	2008-09			2009-10		
	Total	Urban	Rural	Total	Urban	Rural
Employers	0.60	0.46	0.14	0.65	0.49	0.16
Self employed	16.91	4.59	12.32	17.75	4.78	12.97
Unpaid family Helpers	15.10	1.84	13.26	15.10	1.77	13.33
Employees	18.18	8.36	9.82	18.37	8.50	9.87
Total	50.79	15.25	35.54	51.87	15.54	36.33

Source: Labour Force Survey 2009-10

Formal And Informal Sectors

Over the years, there has been a paradigm shift towards informalization in the agriculture sector with a trend of self-cultivation and a decline in share of tenancy. According to Labour Force Survey (LFS) 2009-10, as compared to LFS 2007-08, the share of formal sector employment shrank

while that of informal expanded. However, marginal changes like decrease in the proportions of females and increase in the case of in the rural area is observed. Informal sector accounts for more than seven-tenth (73 percent) of the employment in main jobs outside agriculture, more in rural (76 percent) than in urban areas (71 percent) [See Table-12.18].

Table 12.18: Formal and informal Sector-Distribution of non-Agriculture Workers (%)

Sector	2007-08			2008-09			2009-10		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
- Formal	27.2	27.2	27.4	26.7	26.6	27.6	26.7	26.7	26.9
- Informal	72.8	72.8	72.6	73.3	73.4	72.4	73.3	73.3	73.1
Rural	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
- Formal	24.9	25.1	23.2	23.8	24.0	22.2	23.7	23.8	22.3
- Informal	75.1	74.9	76.8	76.2	76.0	77.8	76.3	76.2	77.7
Urban	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
- Formal	29.5	29.2	32.5	29.4	29.1	32.8	29.6	29.4	31.6
- Informal	70.5	70.8	67.5	70.6	70.9	67.2	70.4	70.6	68.4

Source: Labour Force Survey 2008-09 Federal Bureau of Statistic.

Employment by major Industries:-

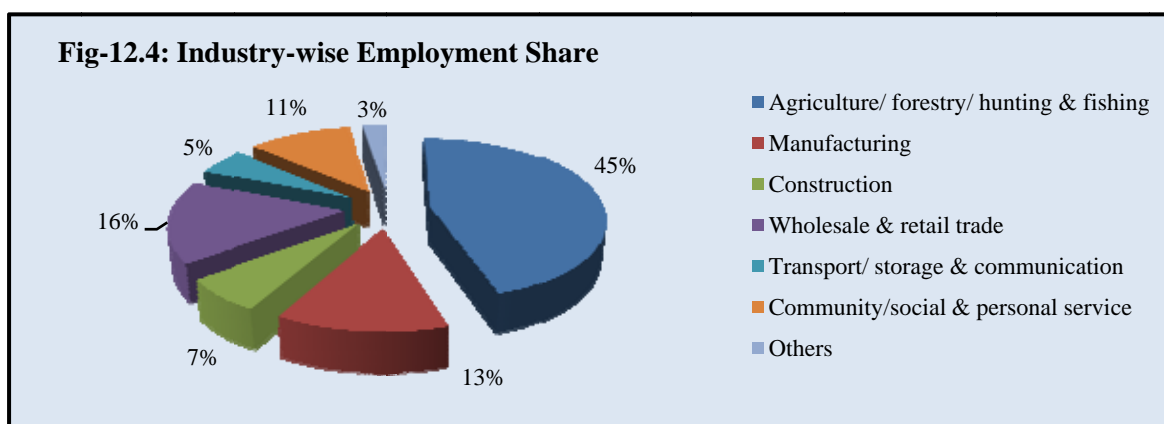
Notwithstanding falling share in employment provision, the agriculture still dominates as largest provider of employment in Pakistan. Its stake in

overall employment is 45 percent. The of manufacturing sector in employment provision stood at 13.2 percent and outpaced by wholesale and retail trade sector which provides employment to 16.3 percent of labour force [See Table 12.19].

Table-12.19: Employment Shares by Industry (%)

Major Industry Divisions	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
Total	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture/ forestry/ hunting & fishing	45.1	37.3	74.0	45.0	36.6	74.9
Manufacturing	13.0	13.3	11.9	13.2	13.9	11.0
Construction	6.6	8.3	0.4	6.7	8.5	0.3
Wholesale & retail trade	16.5	20.5	1.6	16.3	20.2	2.1
Transport/ storage & communication	5.2	6.6	0.2	5.2	6.6	0.3
Community/social & personal service	11.2	11.1	11.6	11.2	11.2	11.2
*Others	2.4	2.9	0.3	2.4	3.0	0.2

**Other (includes mining & quarrying electricity, gas & water, financing, insurance, real estate & business services and extraterritorial organizations and bodies*



Employment by Major Occupational Groups

Skilled agriculture & fishery workers constitute the largest group (38 percent) of the total employed in 2009-10 followed by elementary occupations (18 percent). Comparative figures of the two LFS (2008-09 and 2009-10) highlights the

improvement for males only and presents a mixed picture of marginal changes over time. Legislator/senior officials & managers, technicians and associate professionals and plant\ machine operators & assemblers seem to be losing steam.

Table-12.20: Employed-Distribution By Major Occupational Groups (%)

Major Occupational Group	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
Total	100.0	100.0	100.0	100.0	100.0	100.0
Legislators/senior/officials & managers	12.4	15.2	1.7	12.0	14.8	1.8
Professionals	1.7	1.9	1.2	1.8	2.0	1.4
Technicians & associate Professionals	5.3	4.9	7.2	5.1	4.8	6.2
Clerks	1.4	1.7	0.1	1.3	1.7	0.1
Service workers/shop & market sale workers	4.9	6.1	0.5	4.9	6.1	0.8
Skilled agricultural & fishery workers	37.6	31.4	60.8	37.9	31.0	62.7
Craft & related trades workers	14.5	15.2	11.6	14.6	15.6	10.9
Plant/machine operators & assemblers	4.1	5.2	0.1	3.9	4.9	0.1
Elementary (unskilled) occupation	18.1	18.4	16.8	18.5	19.1	16.0

Source: Labour Force Survey 2009-10

Unemployment Rates:-

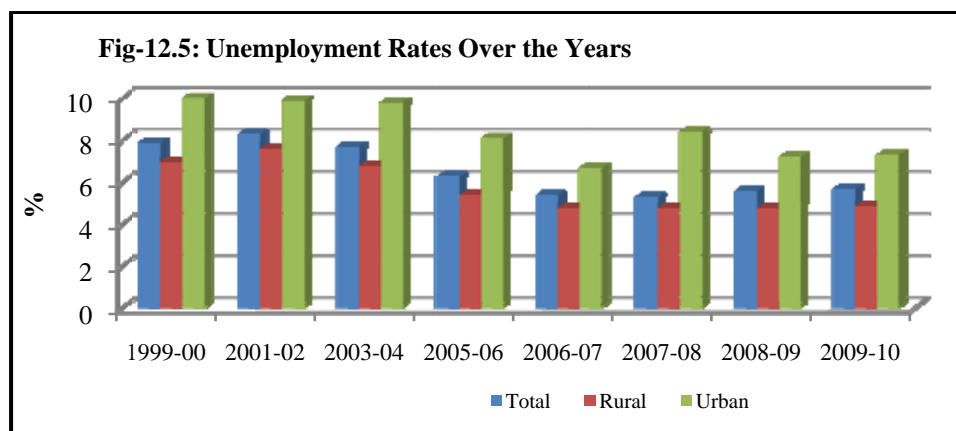
Pakistan's greatest asset is its human resources on which progress and prosperity of the country largely depends. Due to cautious policies of the government to properly develop human resources and their effective utilization, the unemployment rate has decreased from 8.3 percent in 2001-02 to 5.2 percent in 2007-08. However, unemployment increased to 5.5 percent and 5.6 percent in 2009-10 and 2010-11, respectively. As far as rural and

urban areas are concerned, there is a fractional change/increase in it i.e. 4.7 percent to 4.8 percent and 7.1 percent to 7.2 percent, respectively. The change is visible in case of females. The quantum of unemployment is high in urban areas as compared to rural areas and the reason behind of this may be that a major portion of labour force is working as unpaid family helper in rural area which is classified as employed. Table-12.21 depicts unemployment rates by area and sex

Table-12.21: Unemployment Rates-By Area and Sex (%)

Area/Sex	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
Pakistan	5.5	4.5	9.0	5.6	4.4	9.5
Rural	4.7	3.9	7.2	4.8	3.9	7.2
Urban	7.1	5.6	17.6	7.2	5.3	20.8

Source: Labour Force Survey 2009-10



Pakistan had seen variations in its unemployment rates as it was 8.2 percent and 7.8 percent in 2001-02 and 1999-00, respectively then it 5.6 percent in 2009-10. Unemployment is a major challenge that is not only faced by Pakistan but also the world at present. The fear of persistent unemployment

undermines confidence, thereby, affecting consumption and investment decisions and recovery process itself. Also, perceptions of job precariousness exert further downward pressure on wages, aggravating the risk of depressed aggregate demand and poverty.

Table-12.22: Unemployment Rates – By Sex and Age

Age Groups	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
10-14	9.3	9.7	8.7	10.8	9.8	12.9
15-19	9.5	8.9	11.3	8.9	8.3	10.9
20-24	7.3	6.2	11.5	7.9	6.8	12.1
25-29	4.3	3.5	7.1	4.8	3.4	9.3
30-34	2.6	1.9	4.9	2.6	1.5	5.8
35-39	1.7	1.1	3.5	2.3	1.5	4.8
40-44	1.5	1.1	3.1	1.8	1.3	3.8
45-49	2.4	1.5	5.7	2.8	2.3	4.5
50-54	4.6	3.1	11.2	4.4	2.9	10.1
55-59	6.1	4.4	13.6	5.9	3.9	13.4
60 years and above	12.7	8.9	30.8	10.6	7.3	28.6

Source: Labour Force Survey 2009-10

The volume of unemployed persons increased from 2.93 million in 2008-09 to 3.05 million in 2009-10. Area and gender wise, the increase is

more of rural and female provenance. Volume of unemployed persons increases in urban Punjab and, Sindh, while decrease in urban KPK and, levels same in Balochistan.

Table-12.23: Unemployed – Pakistan and Provinces

Province /Area	Unemployment					
	2008-09			2009-10		
	Total	Male	Female	Total	Male	Female
Pakistan	2.93	1.87	1.06	3.05	1.86	1.19
Rural	1.76	1.06	0.70	1.84	1.09	0.75
Urban	1.17	0.81	0.36	1.21	0.77	0.44
Punjab	1.87	1.21	0.66	1.89	1.15	0.74
Rural	1.14	0.70	0.44	1.12	0.67	0.45
Urban	0.73	0.51	0.22	0.77	0.48	0.29
Sindh	0.44	0.28	0.16	0.56	0.34	0.22
Rural	0.14	0.06	0.08	0.23	0.12	0.11
Urban	0.30	0.22	0.08	0.33	0.22	0.11
KPK	0.56	0.36	0.20	0.54	0.34	0.20
Rural	0.44	0.29	0.15	0.45	0.28	0.17
Urban	0.12	0.07	0.05	0.09	0.06	0.03
Balochistan	0.06	0.02	0.04	0.06	0.03	0.03
Rural	0.04	0.01	0.03	0.04	0.02	0.02
Urban	0.02	0.01	0.01	0.02	0.01	0.01

Source: Labour Force Survey 2009-10

As for specific unemployment, the changes in the comparative profile of Punjab and Sindh are more in the case of females while KP's of males.

Baluchistan's gender-specific numbers undergo offsetting changes to remain at the same level.