REPORT NO. 2.2.../2023-24

### SENATE OF PAKISTAN



## REPORT OF THE SENATE STANDING COMMITTEE ON INTERIOR

#### ON

A BILL FURTHER TO AMEND THE FACTORIES ACT, 1934,
THE FACTORIES (AMENDMENT) BILL, 2023,
INTRODUCED BY
SENATOR MOHSIN AZIZ
ON 27TH NOVEMBER, 2023.

PRESENTED BY

SENATOR MOHSIN AZIZ CHAIRMAN SSC ON INTERIOR

#### SENATE SECRETARIAT

# SUBJECT: REPORT OF THE SENATE STANDING COMMITTEE ON INTERIOR ON THE FACTORIES (AMENDMENT) BILL, 2023,

I, Senator Mohsin Aziz, Chairman Senate Standing Committee on Interior, have the honor to present report of the Committee on a Bill further to amend the Factories Act, 1934, the Factories (Amendment) Bill, 2023, introduced by Senator Mohsin Aziz on 27th November, 2023.

2. The composition of the Committee is as under: -

Senator Mohsin Aziz	Chairman
Senator Syed Yousuf Raza Gillani	Member
Senator Azam Nazeer Tarar	Member
Senator Samina Mumtaz Zehri	Member
Senator Sherry Rehman	Member
Senator Saifullah Abro	Member
Senator Faisal Saleem Rehman	Member
Senator Shahadat Awan	Member
Senator Faisal Subzwari	Member
Senator Fawzia Arshad	Member
Senator Danesh Kumra	Member
Senator Dilawar Khan	Member
Senator Kamil Ali Agha	Member
Minister for Interior	Ex-Officio Member



3. The Committee considered the Bill in its meeting held on 14<sup>th</sup> December, 2023.

The meeting was attended by the following Members:

1.	Senator Mohsin Aziz	Chairman
2.	Senator Samina Mumtaz Zehri	Member
3.	Senator Sherry Rehman	Member
4.	Senator Faisal Saleem Rehman	Member
5.	Senator Shahadat Awan	Member
6.	Senator Kamil Ali Agha	Member
7.	Senator Danesh Kumar	Member

- 4. Since the Chairman Committee was the Mover of the Bill, therefore, the Committee was requested that some other members may chair the meeting while consideration of his Bill. The Committee unanimously expressed their confidence on the Chair and requested him to chair the proceedings.
- 5. The Committee was informed about the objects and reasons of the Bill. The Bill is intended to enhance facilities for the workers at their workplaces and also to redefine the industrial framework. The Committee was further apprised that he had earlier introduced this Bill which was recommended by the Committee and also passed by the House and transmitted to the National Assembly but on dissolution of the National Assembly the Bill stood lapsed under the Constitution so he has now introduced the Bill afresh.
- 6. The Members were of the unanimous view that Bill is very good and had already been recommended by the Committee and the House as well so the Bill may once again be recommended by the Committee.

- 7. According to the brief submitted by the office of the Chief Commissioner, Directorate of Industries and Labour Welfare ICT, the Bill has been supported. The Ministry of Interior has also endorsed the Bill.
- 8. In view of the above, the Bill was put to the vote of the Committee which was unanimously recommended by the Committee. The Committee recommended that the Senate may pass the Bill as introduced in the Senate. The Bill as introduced in the Senate is at Annexure-A. The Committee also gave approval of presentation of report of the Committee to the House. Hence, this report is presented to the House.

(MUHAMMAD AZAM)
Secretary Committee

(SENATOR MONSIN AZIZ)
Chairman Committee

#### [AS INTRODUCED IN THE SENATE]

#### A

#### Bill

#### further to amend the Factories Act, 1934

WHEREAS it is expedient further to amend the Factories Act, 1934, (XXV of 1934) in its application to the extent of Islamabad Capital Territory;

It is hereby enacted as follows:-

- 1. Short title, and commencement.— (1) This Act may be called the Factories (Amendment) Act, 202.
  - (2) It shall come into force at once.
- Amendment of section 2, Act XXV of 1934.— In the Factories Act, 1934 (XXV of 1934), hereinafter referred to as the said Act, in section 2,
  - i) In clause (I), for the semi colon ";" occurring at the end, a colon ":" shall be substituted and thereafter the following proviso shall be inserted, namely:-

"Provided further that-

- (i) In the case of a firm or other association of individuals, any one of the individual partners or members thereof shall be deemed to be the occupier; and
- (ii) In the case of a company, any one of the directors shall be deemed to be the occupier;"
- ii) after the clause (m), the word "and" shall be omitted; and
- ill) in clause (n), for the full stop "." occurring at the end, a semi colon and word "; and" shall be substituted and thereafter the following clause shall be added, namely:-
  - "(o) "hazardous process" means any process or activity which involves the production, use, handling, or storage of a hazardous substance, as per the definition of hazardous substances under the Pakistan Environmental Protection Act, 1997.".

- 3. Addition of new sections 23B to 23D, Act XXV of 1934.— In the said Act, after section 23A, the following new sections 23B to 23D shall be added, namely:-
  - "23B. Washing facilities.— (1) In every factory,
  - a) adequate and suitable facilities for washing shall be provided and maintained for the use of the workers therein;
  - b) separate and adequately segregated facilities shall be provided for the use of male and female workers; and
  - such facilities shall be conveniently accessible and shall be kept clean.
  - 23C. Facilities for Sitting:— (1) In every factory suitable arrangements for sitting shall be provided and maintained for all workers obliged to work in a standing position, in order that they may take advantage of any opportunities for rest which may occur in the course of their work.
  - (2) The Federal Government may, by notification in the Official Gazette, declare that the provisions of sub-section (1) shall not apply to any specified factory or class or description of factories or to any specified manufacturing process.
  - 23D. First Aid Appliances.— (1) There shall in every factory be provided and maintained so as to be readily accessible during all working hours first-aid boxes or cupboards equipped with the prescribed contents, and the number of such boxes or cupboards to be provided and maintained shall not be less than one for every twenty workers ordinarily employed at any one time in the factory.
  - (2) Nothing except the prescribed contents shall be kept in a first-aid box or cupboard.
  - (3) In every factory wherein more than five hundred workers, there shall be provided and maintained a first-aid room of the prescribed size, containing the prescribed equipment and in the charge of such medical and nursing staff as may be prescribed.".

- 4. Addition of new sections 24B to 24F, Act XXV of 1934.— In the said act, after section 24A, the following new sections 24B to 24F shall be added, namely:-
  - "24B. Compulsory disclosure of information by the occupier.— (1) The occupier of every factory involving a hazardous process shall disclose in the manner prescribed all information regarding dangers, including health hazards and the measures to overcome such hazards arising from the exposure to or handling of the materials or substances in the manufacture, transportation, storage and other processes, to the workers employed in the factory, the Chief Inspector within whose jurisdiction the factory is situated and the general public in the vicinity.
  - (2) The occupier shall, at the time of registering the factory involving a hazardous process, lay down a detailed policy with respect to the health and safety of the workers employed therein and intimate such policy to the Chief Inspector and the local authority and, thereafter, at such intervals as may be prescribed, inform the Chief Inspector and the local authority of any change made in the said policy.
  - (3) The Information furnished under sub-section (1) shall include accurate information as to the quantity, specifications and other characteristics of wastes and the manner of their disposal.
  - (4) Every occupier shall, with the approval of the Chief Inspector, draw up an on-site emergency plan and detailed disaster control measures for his factory and make known to the workers employed therein and to the general public living in the vicinity of the factory the safety measures required to be taken in the event of an accident taking place.
  - (5) Every occupier of a factory shall,-
    - (a) if such factory engaged in a hazardous process on the commencement of the Factories (Amendment) Act, 2020, within a period of thirty days of such commencement; and
    - (b) if such factory engaged in a hazardous process at any time after such commencement, within a period of thirty days before the commencement of such process,

Inform the Chief Inspector of the nature and details of the process in such form and in such manner as may be prescribed.

- (6) Where any occupier of a factory contravenes the provisions of sub-section (5), the license issued to such factory shall, notwithstanding any penalty to which the occupier or factory shall be subjected to under the provisions of this Act, be liable for cancellation.
- (7) The occupier of a factory involving a hazardous process shall, with the previous approval of the Chief Inspector, lay down measures for the handling, usage, transportation and storage of hazardous substances inside the factory premises and the disposal of such substances outside the factory premises and publicize them in the manner prescribed among the workers and the general public living in the vicinity.
- 24C. Specific responsibility of the occupier in relation to hazardous processes.— Every occupier of a factory involving any hazardous process shall,-
- (a) maintain accurate and up-to-date health records or, as the case may be, medical records, of the workers in the factory who are exposed to any chemical, toxic or any other harmful substances which are manufactured, stored, handled or transported and such records shall be accessible to the workers subject to such conditions as may be prescribed; and
- (b) appoint persons who possess qualifications and experience in handling hazardous substances and are competent to supervise such handling within the factory and to provide at the working place all the necessary facilities for protecting the workers in the manner prescribed:

Provided that where any question arises as to the qualifications and experience of a person so appointed, the decision of the Chief Inspector shall be final.

**24D. Emergency standards.—** (1) Where the Federal Government is satisfied that no standards of safety have been prescribed in respect of a hazardous process or class of hazardous processes, or where the standards so prescribed are inadequate, it may direct the Pakistan Environmental Protection Agency or any institution specialized in matters relating to standards of safety in hazardous processes, to lay down emergency standards for enforcement of suitable standards in respect of such hazardous processes.

- (2) The emergency standards laid down under sub-section (1) shall, until they are incorporated in the rules made under this Act, be enforceable and have the same effect as if they had been incorporated in the rules made under this Act.
- 24E. Workers' participation in safety management.—
  (1)The occupier shall, in every factory where a hazardous process takes place, or where hazardous substances are used or handled, set up a Safety Committee consisting of equal number of representatives of workers and management to promote cooperation between the workers and the management in maintaining proper safety and health at work and to review periodical the measures taken in that behalf:

Provided that the Local Government may, by order in writing and for reasons to be recorded exempt the occupier of any factory or class of factories from setting up such Committee.

(2) The composition of the Safety Committee, the tenure of office of its members and their right and duties shall be such as may be prescribed.

#### 24F. Right of workers to warn about imminent danger.—

- (1) Where the workers employed in any factory engaged in a hazardous process have reasonable apprehension that there is a likelihood of imminent danger to their lives or health due to any accident, they may bring the same to the notice of the occupier, agent, manager or any other person who is in charge of the factory or the process concerned directly or through their representatives in the Safety Committee and simultaneously bring the same to the notice of the Inspector.
- (2) It shall be the duty of such occupier, agent, manager or the person in charge of the factory or process to take immediate remedial action if he is satisfied about the existence of such imminent danger and send a report forthwith of the action taken to the nearest Inspector.
- (3) If the occupier, agent, manager or the person in charge referred to in sub-section (2) is not satisfied about the existence of any imminent danger as apprehended by the workers, he shall, nevertheless, refer the matter forthwith to the nearest inspector whose decision on the question of the existence of such imminent danger shall be final.".

5. Omission of sub-Section (4) of Section 33Q, Act XXV of 1934: In the said act, in Section 33Q, the sub-section (4) shall be omitted.

#### STATEMENT OF OBJECTS AND REASONS

The Factories Act, 1934 is rapidly becoming outdated and inadequate to address the problems of workers in a modern industrial era. The dangers of many industrial processes and environments were unknown at the time of the existing Act. The laws were designed for a different age with substantially different circumstances.

- 2. The UN supported International Labor Organization has also been pushing for an overhaul of the industrial laws all over the world to match the new and challenging realities of modern industrial age. It is a time when number of countries are restructuring and redefining their industrial framework.
- 3. Pakistan is in dire need of attracting foreign investments and incremental reforms in industrial and legal framework will not only significantly raise the country's profile in this increasingly globalized and industrialized world but also provide relief to hardworking industrial workers.
- 4. The bill seeks to achieve the above said purposes.

SENATOR MOHSIN AZIZ Member-in-charge