Human Development Report 2015

Work for human development

Briefing note for countries on the 2015 Human Development Report

Pakistan

Introduction

The *2015 Human Development Report (HDR) Work for Human Development* examines the intrinsic relationship between work and human development. Work, which is a broader concept than jobs or employment, can be a means of contributing to the public good, reducing inequality, securing livelihoods and empowering individuals. Work allows people to participate in the society and provides them a sense of dignity and worth. In addition, work that involves caring for others or voluntarism builds social cohesion and strengthens bonds within families and communities.

These are all essential aspects of human development. But a positive link between work and human development is not automatic. The link can be broken in cases of exploitative and hazardous conditions, where labour rights are not guaranteed or protected, where social protection measures are not in place, and when unequal opportunities and work related discrimination increase and perpetuate socioeconomic inequality.

Work can enhance human development when policies are taken to expand productive, remunerative and satisfying work opportunities; enhance workers' skills and potentials; and ensure their rights, safety, and wellbeing. Measuring aspects of work, both positive and negative, can help shape policy agendas and track progress toward human development enhancing work. But many countries are missing international data at the country level on key indicators including child labour, forced labour, unpaid care work, time use, labour regulations, and social protection. This limits the ability of countries to monitor progress on these fronts.

This briefing note is organized into seven sections. The first section presents information on the country coverage and methodology of the Statistical Annex of the 2015 HDR. The next five sections provide information about key indicators of human development including the Human Development Index (HDI), the Inequality-adjusted Human Development Index (IHDI), the Gender Development Index (GDI), the Gender Inequality Index (GII), and the Multidimensional Poverty Index (MPI). The final section presents a selection of additional indicators related to the topic of work.

It is important to note that national and international data can differ because international agencies standardize national data to allow comparability across countries and in some cases may not have access to the most recent national data. We encourage national partners to explore the issues raised in the HDR with the most relevant and appropriate data from national and international sources.

Country coverage and the methodology of the Statistical Annex of the 2015 HDR

The Statistical Annex of the 2015 HDR presents the 2014 HDI (values and ranks) for 188 countries and UN-recognized territories, along with the IHDI for 151 countries, the GDI for 161 countries, the GII for 155 countries, and the MPI for 101 countries. Country rankings and values of the annual Human Development Index (HDI) are kept under strict embargo until the global launch and worldwide electronic release of the HDR.

It is misleading to compare values and rankings with those of previously published reports, because of revisions and updates of the underlying data and adjustments to goalposts. Readers are advised to assess progress in HDI values by referring to table 2 ('Human Development Index Trends') in the Statistical Annex of the report. Table 2 is based on consistent indicators, methodology and time-series data and thus shows real changes in values and ranks over time, reflecting the actual progress countries have made. Small changes in values should be interpreted with caution as they may not be statistically significant due to sampling variation. Generally speaking, changes at the level of the third decimal place in any of the composite indices are considered insignificant.

Unless otherwise specified in the source, tables use data available to the Human Development Report Office (HDRO) as of 15 April 2015. All indices and indicators, along with technical notes on the calculation of composite indices, and additional source information are available online at http://hdr.undp.org/en/data

For further details on how each index is calculated please refer to Technical Notes 1-5 and the associated background papers available on the Human Development Report website: http://hdr.undp.org/en/data

Human Development Index (HDI)

The HDI is a summary measure for assessing long-term progress in three basic dimensions of human development: a long and healthy life, access to knowledge and a decent standard of living. A long and healthy life is measured by life expectancy. Knowledge level is measured by mean years of education among the adult population, which is the average number of years of education received in a life-time by people aged 25 years and older; and access to learning and knowledge by expected years of schooling for children of school-entry age, which is the total number of years of schooling a child of school-entry age can expect to receive if prevailing patterns of age-specific enrolment rates stay the same throughout the child's life. Standard of living is measured by Gross National Income (GNI) per capita expressed in constant 2011 international dollars converted using purchasing power parity (PPP) rates.

To ensure as much cross-country comparability as possible, the HDI is based primarily on international data from the United Nations Population Division (the life expectancy data), the United Nations Educational, Scientific and Cultural Organization Institute for Statistics (the mean years of schooling and expected years of schooling data) and the World Bank (the GNI per capita data). As stated in the introduction, the HDI values and ranks in this year's report are not comparable to those in past reports (including the 2014 HDR) because of a number of revisions to the component indicators. To allow for assessment of progress in HDIs, the 2015 report includes recalculated HDIs from 1990 to 2014 using consistent series of data.

Pakistan's HDI value and rank

Pakistan's HDI value for 2014 is 0.538— which put the country in the low human development category—positioning it at 147 out of 188 countries and territories. Between 1980 and 2014, Pakistan's HDI value increased from 0.353 to 0.538, an increase of 52.5 percent or an average annual increase of about 1.25 percent.

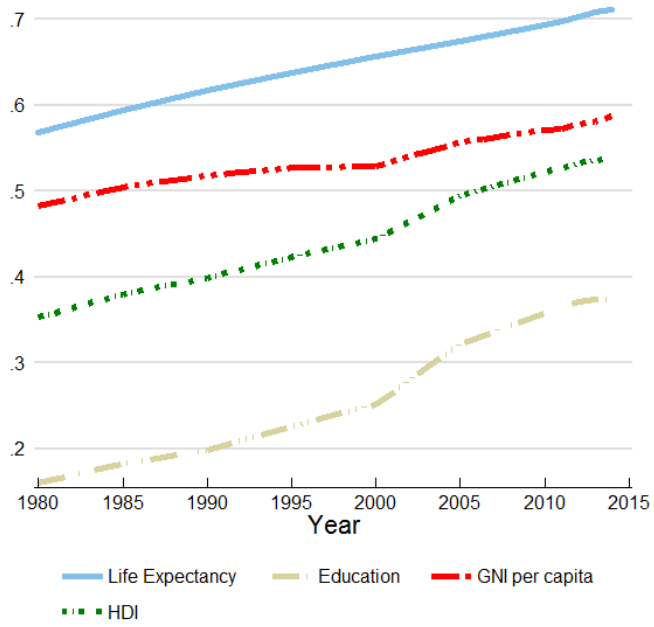
Table A reviews Pakistan's progress in each of the HDI indicators. Between 1980 and 2014, Pakistan's life expectancy at birth increased by 9.2 years, mean years of schooling increased by 2.9 years and expected years of schooling increased by 4.1 years. Pakistan's GNI per capita increased by about 99.7 percent between 1980 and 2014.

Table A: Pakistan's HDI trends based on consistent time series data and new goalposts

	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2011 PPP$)	HDI value
1980	57.0	3.7	1.8	2,437	0.353
1985	58.6	4.1	2.1	2,836	0.380
1990	60.1	4.4	2.3	3,094	0.399
1995	61.5	4.8	2.8	3,284	0.423
2000	62.7	5.2	3.3	3,324	0.444
2005	63.9	6.2	4.5	3,996	0.495
2010	65.1	7.4	4.6	4,380	0.522
2011	65.4	7.5	4.7	4,453	0.527
2012	65.7	7.7	4.7	4,557	0.532
2013	66.0	7.8	4.7	4,680	0.536
2014	66.2	7.8	4.7	4,866	0.538

Figure 1 below shows the contribution of each component index to Pakistan's HDI since 1980.

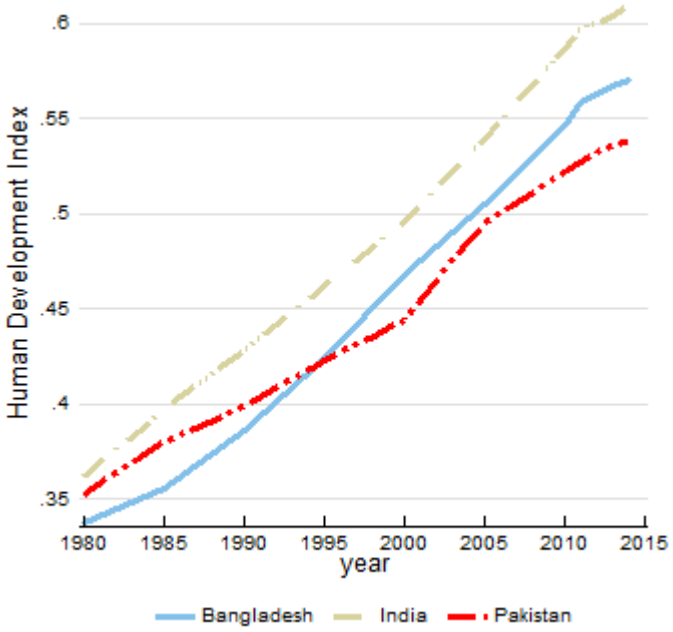
Figure 1: Trends in Pakistan's HDI component indices 1980-2014



Assessing progress relative to other countries

Long-term progress can usefully be compared to other countries. For instance, during the period between 1980 and 2014 Pakistan, India and Bangladesh experienced different degrees of progress toward increasing their HDIs (see figure 2).

Figure 2: HDI trends for Pakistan, India and Bangladesh, 1980-2014



Pakistan's 2014 HDI of 0.538 is above the average of 0.505 for countries in the low human development group and below the average of 0.607 for countries in South Asia. From South Asia, countries which are close to Pakistan in 2014 HDI rank and to some extent in population size are India and Bangladesh, which have HDIs ranked 130 and 142 respectively (see table B).

Table B: Pakistan's HDI indicators for 2014 relative to selected countries and groups

	HDI value	HDI rank	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (PPP US$)
Pakistan	0.538	147	66.2	7.8	4.7	4,866
India	0.609	130	68.0	11.7	5.4	5,497
Bangladesh	0.570	142	71.6	10.0	5.1	3,191
South Asia	0.607	—	68.4	11.2	5.5	5,605
Low HDI	0.505	—	60.6	9.0	4.5	3,085

Inequality-adjusted HDI (IHDI)

The HDI is an average measure of basic human development achievements in a country. Like all averages, the HDI masks inequality in the distribution of human development across the population at the country level. The 2010 HDR introduced the IHDI, which takes into account inequality in all three dimensions of the HDI by 'discounting' each dimension's average value according to its level of inequality. The IHDI is basically the HDI discounted for inequalities. The 'loss' in human development due to inequality is given by the difference between the HDI and the IHDI, and can be expressed as a percentage. As the inequality in a country increases, the loss in human development also increases. We also present the coefficient of human inequality as a direct measure of inequality which is an unweighted average of inequalities in three dimensions. For more details see Technical Note 2.

Pakistan's HDI for 2014 is 0.538. However, when the value is discounted for inequality, the HDI falls to 0.377, a loss of 29.9 percent due to inequality in the distribution of the HDI dimension indices. India and

Bangladesh show losses due to inequality of 28.6 percent and 29.4 percent respectively. The average loss due to inequality for low HDI countries is 32.0 percent and for South Asia it is 28.7 percent. The Human inequality coefficient for Pakistan is equal to 28.6 percent.

Table C: Pakistan's IHDI for 2014 relative to selected countries and groups

	IHDI value	Overall loss (%)	Human inequality coefficient (%)	Inequality in life expectancy at birth (%)	Inequality in education (%)	Inequality in income (%)
Pakistan	0.377	29.9	28.6	29.9	44.4	11.6
India	0.435	28.6	27.7	25.0	42.1	16.1
Bangladesh	0.403	29.4	29.0	20.1	38.6	28.3
South Asia	0.433	28.7	27.9	24.4	41.5	17.9
Low HDI	0.343	32.0	31.7	35.0	37.9	22.0

Gender Development Index (GDI)

In the 2014 HDR, HDRO introduced a new measure, the GDI, based on the sex-disaggregated Human Development Index, defined as a ratio of the female to the male HDI. The GDI measures gender inequalities in achievement in three basic dimensions of human development: health (measured by female and male life expectancy at birth), education (measured by female and male expected years of schooling for children and mean years for adults aged 25 years and older); and command over economic resources (measured by female and male estimated GNI per capita). For details on how the index is constructed refer to Technical Note 3. Country groups are based on absolute deviation from gender parity in HDI. This means that the grouping takes into consideration inequality in favour of men or women equally.

The GDI is calculated for 161 countries. The 2014 female HDI value for Pakistan is 0.436 in contrast with 0.601 for males, resulting in a GDI value of 0.726. In comparison, GDI values for India and Bangladesh are 0.795 and 0.917 respectively (see Table D).

Table D: Pakistan's GDI value and its components relative to selected countries and groups

	Life expectancy at birth		Expected years of schooling		Mean years of schooling		GNI per capita		HDI values		F-M ratio
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	GDI value
Pakistan	67.2	65.3	7.0	8.5	3.1	6.2	1,450	8,100	0.436	0.601	0.726
India	69.5	66.6	11.3	11.8	3.6	7.2	2,116	8,656	0.525	0.660	0.795
Bangladesh	72.9	70.4	10.3	9.7	4.5	5.5	2,278	4,083	0.541	0.590	0.917
South Asia	69.9	67.1	10.8	11.3	3.7	6.9	2,198	8,827	0.525	0.655	0.801
Low HDI	61.8	59.3	8.3	9.8	3.4	5.5	1,983	4,201	0.456	0.549	0.830

Gender Inequality Index (GII)

The 2010 HDR introduced the GII, which reflects gender-based inequalities in three dimensions – reproductive health, empowerment, and economic activity. Reproductive health is measured by maternal mortality and adolescent birth rates; empowerment is measured by the share of parliamentary seats held by women and attainment in secondary and higher education by each gender; and economic activity is measured by the labour market participation rate for women and men. The GII can be interpreted as the loss in human development due to inequality between female and male achievements in the three GII dimensions. For more details on GII please see Technical Note 4.

Pakistan has a GII value of 0.536, ranking it 121 out of 155 countries in the 2014 index. In Pakistan, 19.7 percent of parliamentary seats are held by women, and 19.3 percent of adult women have reached at least a secondary level of education compared to 46.1 percent of their male counterparts. For every 100,000 live

births, 170 women die from pregnancy related causes; and the adolescent birth rate is 27.3 births per 1,000 women of ages 15-19. Female participation in the labour market is 24.6 percent compared to 82.9 for men.

In comparison, India and Bangladesh are ranked at 130 and 111 respectively on this index.

Table E: Pakistan's GII for 2014 relative to selected countries and groups

	GII value	GII Rank	Maternal mortality ratio	Adolescent birth rate	Female seats in parliament (%)	Population with at least some secondary education (%)		Labour force participation rate (%)	
						Female	Male	Female	Male
Pakistan	0.536	121	170	27.3	19.7	19.3	46.1	24.6	82.9
India	0.563	130	190	32.8	12.2	27.0	56.6	27.0	79.9
Bangladesh	0.503	111	170	80.6	20.0	34.1	41.3	57.4	84.1
South Asia	0.536	—	183	38.7	17.5	29.1	54.6	29.8	80.3
Low HDI	0.583	—	461	92.1	20.5	14.8	28.3	57.2	79.1

Maternal mortality ratio is expressed in number of deaths per 100,000 live births and adolescent birth rate is expressed in number of births per 1,000 women ages 15-19.

Multidimensional Poverty Index (MPI)

The 2010 HDR introduced the MPI, which identifies multiple deprivations in the same households in education, health and living standards. The education and health dimensions are each based on two indicators, while the standard of living dimension is based on six indicators. All of the indicators needed to construct the MPI for a household are taken from the same household survey. The indicators are weighted to create a deprivation score, and the deprivation scores are computed for each household in the survey. A deprivation score of 33.3 percent (one-third of the weighted indicators), is used to distinguish between the poor and nonpoor. If the household deprivation score is 33.3 percent or greater, the household (and everyone in it) is classified as multidimensionally poor. Households with a deprivation score greater than or equal to 20 percent but less than 33.3 percent are *near multidimensional poverty*. Finally, households with a deprivation score greater than or equal to 50 percent live in severe multidimensional poverty. Definitions of deprivations in each dimension, as well as methodology of the MPI are given in Technical Note 5.

The most recent survey data that were publically available for Pakistan's MPI estimation refer to 2012/2013. In Pakistan 45.6 percent of the population (83,045 thousand people) are multidimensionally poor while an additional 14.9 percent live near multidimensional poverty (27,204 thousand people). The breadth of deprivation (intensity) in Pakistan, which is the average of deprivation scores experienced by people in multidimensional poverty, is 52.0 percent. The MPI, which is the share of the population that is multi-dimensionally poor, adjusted by the intensity of the deprivations, is 0.237. India and Bangladesh have MPIs of 0.282 and 0.237 respectively.

Table F compares income poverty, measured by the percentage of the population living below PPP US$1.25 per day, and multidimensional poverty. It shows that income poverty only tells part of the story. The multidimensional poverty headcount is 32.9 percentage points higher than income poverty. This implies that individuals living above the income poverty line may still suffer deprivations in education, health and other living conditions. Table F also shows the percentage of Pakistan's population that lives near multidimensional poverty and that lives in severe multidimensional poverty. The contributions of deprivations in each dimension to overall poverty complete a comprehensive picture of people living in multidimensional poverty in Pakistan. Figures for India and Bangladesh are also shown in the table for comparison.

Table F: The most recent MPI for Pakistan relative to selected countries

	Survey year	MPI value	Head-count (%)	Intensity of deprivations (%)	Population share (%)			Contribution to overall poverty of deprivations in (%)		
					Near poverty	In severe poverty	Below income poverty line	Health	Education	Living Standards
Pakistan	2012/2013	0.237	45.6	52.0	14.9	26.5	12.7	32.3	36.2	31.6
India	2005/2006	0.282	55.3	51.1	18.2	27.8	23.6	32.5	22.7	44.8
Bangladesh	2011	0.237	49.5	47.8	18.8	21.0	43.3	26.6	28.4	44.9

Work Indicators

Table G collates the work related indicators that are available for Pakistan from the HDR 2015 Statistical Annex. The data provide a partial picture of the conditions surrounding work in the country and the areas that may benefit from policy attention. Note that not all indicators have sufficient country coverage for aggregate estimation.

Table G: Additional indicators related to work for Pakistan

	Pakistan	Low HDI	Developing countries	South Asia
Employment to population ratio (% ages 15 and older)	51.6	63.9	60.7	53.2
Labour force participation rate (% ages 15 and older)	54.4	68.1	64.3	55.6
Female	24.6	57.2	49.5	29.8
Male	82.9	79.1	78.7	80.3
Share of employment in agriculture (% of total employment)	44.7	--	36.9	45.9
Share of employment in services (% of total employment)	35.2	--	39.1	30.6
Labour force with tertiary education (%)	24.6	--	--	--
Vulnerable employment (% of total employment)	63.1	--	54.0	77.3
Total unemployment (% of labour force)	5.0	9.7	5.6	4.2
Long term unemployment (% of labour force)	1.1	--	--	--
Youth unemployment (% of youth labour force)	7.7	9.8	14.6	10.9
Youth not in school or employment (% ages 15-24)	--	--	--	--
Labour productivity: output per worker (2011 PPP $)	7,367	--	--	8,117
Child labour (% ages 5-14 years)	--	23.8	14.5	12.3
Domestic workers (% of total employment)				
Female	1.2	--	--	2.2
Male	0.3	--	--	0.5
Working poor, PPP $2 per day (% of total employment)	45.8	67.5	33.8	54.9
Unemployment benefits recipients (% of unemployed ages 15-64)	0.0	0.0	2.5	0.0
Mandatory paid maternity leave (days)	84.0	85.0	99.0	84.0
Old age pension recipients (% of statutory pension age population)	2.3	9.8	51.0	23.9
Internet users (% of population)	13.8	16.0	31.9	17.6
Mobile phone subscribers (per 100 people)	73.3	65.6	91.2	75.6

Additionally, Table H presents the number of minutes spent per day in paid and unpaid activities separately for women and men. Unfortunately, time use survey data is not available for many countries and regional aggregates cannot be calculated.

Table H: Paid versus unpaid work in Pakistan by gender

Country	Survey year	Total paid work		Total unpaid work	
		Female	Male	Female	Male
		(minutes per day)		*(minutes per day)*	
Pakistan	2007	78	322	287	28