7.3.2. Employment (formal and informal)

The Pakistan LFS 2024-2025 reported the unemployment rate for Punjab province2209 at 7.3 %, with a higher rate among women (9.6 %) than men (6.3 %). Out of 44.7 million employed people in Punjab, 36.9 million (82.6 %) worked in informal employment, while 7.8 million (17.4 %) were in formal employment.2210

At the district level in Lahore, the 2023 Population & Housing Census, which uses a different definition of 'employment' and is based on a different reference period compared to the LFS 2024-2025,2211 reported that out of the 9.7 million working-age population (aged 10 and above), approximately 3.9 million were employed and 609 000 were unemployed. Of around 2.3 million paid employees, 85 % were male and 15 % were female.2212 Furthermore, the census showed that 2.3 million (65.3 %) of the age group 15-24 were neither employed nor in education in Lahore district.2213

According to a labour market assessment of Punjab conducted by HCPL, Lahore was a ‘central economic hub’ and leading the province in terms of workforce demand. The basis for this workforce demand was driven by Lahore’s various industries, such as manufacturing, services and trade. The assessment showed a high demand for skilled occupations in the textiles and manufacturing industries. Furthermore, both private sector housing societies and major public-sector infrastructure projects require workers with appropriate skills.2214

The Pakistani Ministry of Finance noted in its Economic Survey 2024-25 that an unskilled labourer working in construction earned 1 532.62 Pakistani Rupees [approximately EUR 4.7] per workday.2215 As of June 2025, the Human Rights Commission of Pakistan (HRCP) reported that the federal minimum wage in Punjab was 40 000 Pakistani Rupees [approximately EUR 121.2]. 2216 However, it is reported that about 95 % of factories fail to pay their workers minimum wage.2217 Furthermore, the HRCP advocates a ‘living wage’ of 75 000 Pakistani Rupees [approximately EUR 227.2] per month2218 which according to HRCP is necessary to support a household of six.2219 According to a report on working conditions in Pakistan’s garment export factories based on interviews and focus group discussions with workers, respondents in Lahore mentioned that several members of a household had to contribute to make ends meet and that some workers had to buy food on credit due to rising electricity costs.2220

Half of all brick kilns in Pakistan are located in Punjab, an industry marked by severe worker exploitation.2221 As of 2020, 277 brick kilns–typically situated on the outskirts of towns– were reported in Lahore alone.2222 A March 2026 article in The Guardian noted that thousands of kilns operate in the areas surrounding Lahore.2223

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As the source indicates, LFS data covers all four of Pakistan's provinces as well as Islamabad. Pakistan, PBS, Pakistan Labour Force Survey 2024-2025, September 2025, url, p. 3. However, the report does not provide separate data for Islamabad, so the figures for Punjab likely also include data collected in Islamabad.

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  Pakistan, PBS, Pakistan Labour Force Survey 2024-2025, September 2025, url, pp. 54, 105; The definition of employment used here limits 'employment to work performed for pay or profit mainly intended for others'. '[I]ndividuals engaged in subsistence agriculture or production mainly for their own use are excluded' from this definition of employment. Pakistan, PBS, Pakistan Labour Force Survey 2024-2025, September 2025, url, p. VI

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  For the different definitions of employment by the Pakistan Labour Force Survey 2024-2025 and the 7th Population & Housing Census 2023, see footnote 2101.

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