



Comparing Employment Dispute Resolution in Pakistan and the UK: Lessons for Pakistan

Fatima Ilyas^{1*}

¹College of Management Sciences (ICMS), Lahore, Pakistan.
fatima.ilyas.lhr@rootsivy.edu.pk

Abstract. Alternative Dispute Resolution (ADR), such as arbitration, mediation and conciliation, has gained prominence in recent years to resolve employment disputes. ADR is cost-efficient, fast and has the capacity to preserve the employer-employee relationship. Under the Employment Protection Act 1975, ACAS (Advisory, Conciliation and Arbitration Service) was established as an independent public body that plays an indispensable role in resolving employment disputes in the UK. The Pakistani legal system is primarily based on a common law framework inherited from Britain. Unfortunately, Pakistan does not have a single overarching regulatory body specifically for employment dispute resolution through an ADR mechanism. Therefore, it is necessary to evaluate the employment dispute resolution mechanisms in Pakistan and the UK. This research will contribute to providing an effective dispute resolution mechanism to strengthen the employer-employee relationship in Pakistan. This study is qualitative in nature and based on library data. It is concluded that employment laws in the UK have been very effective in regulating employment disputes. In Pakistan, there are limited mechanisms to address employment disputes; however, these are inadequate due to the absence of proper legislation and a legal framework. Therefore, this article suggests that a comprehensive and independent regulatory body like ACAS should be established to promote uniformity and reduce disparities and inconsistencies in the employment dispute resolution mechanisms in Pakistan.

Keywords: Alternative Dispute Resolution (ADR), Employment Disputes, Employment Laws, Pakistan, Employer-Employee Relationship.

1 Introduction

Human interaction is essential across all societies because it breeds diversity of thinking. Individual experiences, values, and viewpoints naturally lead to differences of opinion. But rather than being seen as barriers, these differences might be seen as chances for development, communication, and understanding. How conflicts are resolved has a significant impact on how harmonious a society is. Constructive communication, compromise, negotiation, mediation, and other non-violent conflict resolution techniques can all be used to manage differences of opinion. Societies can turn possible disputes into opportunities for collaboration and group advancement by embracing inclusive and courteous methods.

In the 1800s, Egyptians, Syrians, Phoenicians, Greeks, and Chinese were the nations that employed informal dispute resolution (ADR) the most. The timeline provided also demonstrates that ADR processes have been in use since that time. Since 500 BC, the Indus Valley civilization has operated under the Panchayat (village council of elders) system [1].

1.1 Importance of ADR in Employment Relations

ADR, or alternative dispute resolution, has grown in popularity as a means of resolving employment conflicts. Traditionally, courts and other specialized tribunals have been the only venues used to resolve these disputes. However, because litigation takes time, money, and can harm relationships at work, the use of alternative conflict resolution methods, including mediation, conciliation, and arbitration, has increased. This recent episode is extremely significant when considered from the perspective of the UK [2].

The adoption of ADR techniques to resolve workplace conflicts has increased significantly over the past few decades. ADR, which encompasses techniques like arbitration, conciliation, and mediation, offers a less expensive, time-consuming, and contentious substitute for traditional court-based litigation. Because employment disputes are inextricably tied to core concerns like worker rights, economic efficiency, and worker wellness, they make excellent candidates for such effective dispute resolution methods [3].

Conflicts between employees are unavoidable. It is essential to promptly settle any conflicts or disagreements to foster a calm, effective, and friendly work atmosphere. Litigation involves a substantial time and cost commitment and may be risky for the relationship between the employer and the employee. The application of arbitration, mediation, and negotiation has become increasingly common. There is still much to learn about how well this methodology may be used and applied in many circumstances, which opens many potential research directions [4].

In this regard, ADR provides a way to provide workplace justice to a larger number of people more quickly and cheaply than traditional government routes. Additionally, it has the potential to reduce the backlog of labor agencies and tribunals, which would enable government agencies to better fulfill their social obligations. It

gives companies a say in choosing a decision maker while lowering the expense and delays of litigation [5].

1.2 Statement of the Problem in Pakistan's Context

Mechanisms for resolving employment disputes in Pakistan are still disjointed and generally ineffectual. Although Pakistan's legal system is based on the common law system that was brought over from Britain, there is not a single independent regulatory body that handles employment disputes using ADR techniques like conciliation, arbitration, and mediation. For many workers, the current processes such as labor courts, tribunals, and conciliation officers under provincial labor departments, are inaccessible, slow, and adversarial.

This jeopardizes the maintenance of the employer-employee relationship in addition to causing delays and irregularities in conflict resolution. Pakistan lacks a standardized institutional framework to encourage prompt, economical, and cordial settlements, in contrast to the UK's ACAS. Both employers and employees lack an effective and dependable mechanism for resolving employment-related disputes due to the substantial gap in the protection of workers' rights caused by the lack of comprehensive legislation and a centralized ADR organization.

1.3 Research Objectives

To investigate Pakistan's current institutional and legal framework for resolving employment disputes.

To examine how Pakistani employment problems are handled via ADR processes like arbitration, conciliation, and mediation.

To research the UK's system for resolving employment disputes, paying special attention to the function of the ACAS.

To evaluate the accessibility, efficacy, cost-effectiveness, and capacity to maintain the employer-employee connection of Pakistan's and the UK's systems.

To determine the shortcomings, difficulties, and restrictions of Pakistan's current employment dispute settlement system.

To make suggestions, based on the UK's experience, for the creation of an all-encompassing, autonomous ADR-based regulatory agency in Pakistan.

1.4 Significance

The importance of the research can be explained in the following aspects.

Academic Contribution. By offering a comparative viewpoint between Pakistan and the UK, it advances our understanding of employment law and ADR.

Policy Relevance. The results will help Pakistani policymakers comprehend the shortcomings of the country's current disjointed dispute resolution procedures and the necessity of a single institutional framework.

Practical Importance. The study provides insights that can enhance employer-employee relations and lessen the load on labor courts by emphasizing the benefits of ADR in employment conflicts.

Socio-Economic Impact. By guaranteeing prompt and equitable settlement of workplace disputes, an effective ADR process can foster industrial peace, increase productivity, and advance social justice.

Qualitative Perspective. The study's use of a qualitative technique enables it to thoroughly examine laws, policies, and practices as well as to record contextual elements. These include Pakistan's institutional flaws and cultural views on ADR.

2 Methodology

The study follows a qualitative methodology to study and understand the issues of dispute settlement of employment in Pakistan and the United Kingdom. The qualitative method is appropriate as it highlights interpretation, definition and contextual analysis of legal frameworks rather than measures and statistics. The research is based in a library that relies on secondary sources of information. The main sources are primary sources of law, including statutes, labor laws, industrial relations acts and policy texts from both Pakistan and the UK and case law, which exemplifies the court application to employment disputes and the use of ADR mechanisms. Secondary literature includes books, journal articles, research, and policy reports as well as research papers. These offer guidance in the practice and theory of employment dispute resolution. Comparative reports and institutional reports will also be included, especially those addressing the effectiveness of the ACAS of the UK.

This analysis is done on a doctrinal and comparative analysis based on the data. In the doctrinal method, the emphasis is on the study of laws, legal principles, and judicial precedents in Pakistan, whereas the comparative method compares the resolution of employment disputes in the UK and uses similarities and differences.

There is no empirical survey or even fieldwork conducted within the present study, as it is based on the critical examination of the existing literature and legal frameworks to identify the gaps, challenges and the interests of modifications. By using the UK experience as a benchmark, the study aims to suggest radical measures that would enhance the employment dispute resolution in Pakistan, especially in terms of adapting ADR resolution tools.

3 What Are Dispute Resolution Mechanisms

Globally, dispute resolution procedures can be divided into two categories: non-judicial (alternative) and judicial (court-based). Depending on their institutions, legal systems, and cultures, several countries and international organizations use a combination of these mechanisms.

Dispute resolution mechanisms can be considered the processes and methods that help to organize the conflict between the sides. The gears are meant to reduce aggression, preserve connections and give solutions promptly and efficiently. They may be distinguished into two broad categories, formal legal process, which is litigation and less formal/ ADR procedures, which include negotiation, mediation, arbitration, conciliation, collaboration, expert determination and more recently, online dispute resolution (ODR). These mechanisms are both strong and weak in their own ways. e.g., negotiation and mediation focus on dialogue and compromise and save a relationship by flexibility and co-operation. Arbitration and expert determination present more governed, binding decisions, generally, with experience in the area at hand, whereas litigation is legally binding but tends to be expensive and can take a great deal of time. Such approaches as conciliation and collaboration aim to mitigate the tension and promote solving the problem with the other person, whereas ODR exploits the use of technology to deliver accessible and efficient dispute resolution, especially in commercial or workplace situations. In general, the mechanism to use is determined by the type of conflict or relationship between the parties and the preferred outcome. ADR mechanisms particularly resolve employment disputes in a friendly manner, relieve the courts, and protect the employer-employee relationship [6].

4 Employment Dispute Resolution In The Uk

Resolving employment disputes in the United Kingdom uses a highly structured system where mechanisms of the statutes are used in combination with ADR methods. The system aims to treat the employees fairly, offering a satisfactory solution to workplace grievances, and enhancing industrial amity. Underpinning this construct is the concept of conciliation, mediation and arbitration with a structural background that enables both the employers and employees to work together to end conflicts without long court battles.

4.1 Historical Development (Employment Protection Act 1975, Establishment of ACAS)

The Advisory, Conciliation and Arbitration agency (ACAS) originated in 1896, when the Conciliation Act of 1896 established a government-sponsored conciliation and arbitration agency to help trade unions and employers settle labor disputes. With the passage of the Workplace Protection Act of 1975, the service's jurisdiction and scope were formally acknowledged as a statutory entity, marking a major turning point in the UK's institutionalization of workplace conflict settlement. Subsequent reforms, such as the Enterprise and Regulatory Reform Act of 2013, strengthened its role as a

first step in workplace conflict resolution by requiring parties to notify ACAS prior to beginning certain employment tribunal proceedings [7].

The Employment Protection Act 1975, a historic piece of legislation that aimed to give workers more security and expedite the resolution of workplace issues, marked the beginning of the contemporary era of employment dispute resolution in the UK. The Act included broad employment rights, including unfair dismissal safeguards, redundancy payouts, and maternity leave measures. More significantly, it established the framework for an organized system of resolving disputes that promoted conciliation rather than confrontational litigation. The creation of the ACAS as a separate governmental organization in 1975 was one of the Act's most important outcomes. Enhancing industrial relations and offering unbiased conciliation, mediation, and arbitration services in employment disputes were assigned to ACAS. With its establishment, the UK's employment framework began to institutionalize ADR, which lessened the need for the legal system and encouraged amicable solutions. By delivering statutory conciliation prior to claims going to employment tribunals and giving consulting services to stop disputes from starting in the first place, ACAS has grown to be a key player in the resolution of both individual and group disputes [8].

4.2 Role and Functioning of ACAS

An impartial public organization in the UK that is crucial to managing employment relations and settling conflicts at work is the ACAS. Its main goals are to facilitate efficient communication between employers and workers, offer unbiased advice, and support out-of-court conflict resolution. ACAS provides a free and private service that includes best practice guidelines, codes of practice, and guidance that spells out expectations for both employers and employees in the workplace. Early conciliation, in which ACAS steps in to assist parties in resolving conflicts before they reach employment tribunals, is a crucial aspect of its function. Notifying ACAS before filing several forms of employment claims has been a procedural obligation since the Enterprise and Regulatory Reform Act of 2013. ACAS helps organizations avoid conflicts, enhance labor relations, and preserve peace in the workplace by offering mediation, arbitration, and training services in addition to conciliation. ACAS serves as a reliable and impartial platform for resolving disputes, greatly lowering the need for confrontational litigation, even while it cannot take the role of official legal assistance [9].

4.3 Other Institutions (Employment Tribunals, Arbitration Schemes)

In order to handle employment-related conflicts more effectively and easily, the UK has established several specialized organizations. The employment tribunals and alternative arbitration programs are the most important of them, as they collectively provide the foundation of the nation's labor dispute settlement system.

In the UK, employment tribunals were initially created as industrial tribunals under the Industrial Training Act of 1964, with the specific goal of considering complaints pertaining to training levies. With time, their purview grew to include

salaries, discrimination, redundancy, wrongful dismissal, and contractual issues. They were renamed employment tribunals in 1998 in accordance with the Employment Tribunals Act of 1996. While appeals are heard by the Employment Appeal Tribunal, which is made up of senior judges and lay members with experience in industrial relations, their administration has been handled since 1997 by the Employment Tribunals Service, an executive agency of the Department of Trade and Industry [10].

4.4 Current System and Functioning

Compared to courts, employment tribunals offer a less formal setting for settling conflicts at work. A written application is the first step in the claims process, and then the employer responds. Notification is sent to the ACAS, which attempts to resolve conflicts prior to proceedings. A legally qualified chair, an employer representative, and an employee representative typically make up the panel that conducts hearings, though in less complicated situations, the chair may sit alone. Although tribunals have the authority to grant compensation, they do not have direct enforcement authority; instead, enforcement must be sought through the county courts [11].

4.5 Effectiveness of the UK Model

In 2014, the introduction of the mandatory ACAS early conciliation scheme was shown to be highly effective in minimizing employment tribunal claims. Studies indicate that approximately 71 percent of claimants did not proceed to tribunal when they used ACAS conciliation and 54 percent reported faster resolutions and high levels of satisfaction (80 percent post-claim conciliation). In 2015-16, ACAS received more than 92,000 early conciliation cases, with 65% of the disputes never reaching tribunal and 17% settled out of court by formal agreement (COT3). Conciliation was useful even where claims were taken, and a large percentage of them settled or abandoned, demonstrating its crucial contribution to time, cost, and stress savings on both sides. In 2013, another significant effect on access to justice was the introduction of employment tribunal fees. Incidentally, with initial fees of up to £250 to file a claim and up to £950 to go to court, the number of claims fell by as much as 70 per cent, leading to fears that the real claimants, especially women defending a discrimination claim, were being put out of pocket. Unison challenged the regime, and the Justice Committee concluded that fees were a significant barrier to good claims and needed to be lowered and reconsidered, particularly for the vulnerable, such as pregnant women or those on maternity leave. Although conciliation has obviously been a valid alternative to litigation, evidence has shown that tribunal fees are driving away claimants of valid cases, thus increasing the importance of ACAS in resolving disputes [12].

The new strategy (to 2030) is a continuation of the 2021 to 2025 plan, where ACAS made services more accessible to more people and increased the rate of dispute resolution. As the workplace and new labor reforms loom to create pressures in demand, ACAS will prevent, control and solve business conflicts effectively and retain record levels of settlements. It focuses on inclusivity, access, digital innovation, and data-driven improvement, designed with progress targets set at three- and five-year horizons [13].

5 Employment Dispute Resolution In Pakistan

The industrial relations system can be defined as a regulatory system and a mechanism that regulates labor relations. The system is established as the contact between employers and employees (or their representatives) and is the mechanism through which the standards and other conditions and employment terms are negotiated, modified, and implemented. Thus, an industrial relations system sets up regulations to guide this process. Cordial industrial relations encourage efficiency, productivity and fair work. Yes, participative and respectful of each other, industrial relations bring forward co-operation, increased output and fostering trust, hence less antagonism and exploitation. Other than the government, the employers and workers, the key stakeholders of an industrial relations system are organizations. However, the role of trade unions is special in considering the issues of wages, working conditions and employment security. In fact, the enabling environment is a by-product of the government policies that have been accepted appropriately by the social partners, the workers and the employers [14].

The following were some of the many legislations that the Pakistan Trade Union gained after independence; the Trade Union Act 1926, Industrial Employment (Standing Orders) Act 1946, Industrial Disputes Act 1947 and Factories Act 1934, which were a legacy of British India. Labor laws and policy-making in the country were based on these four laws. These laws were progressive in the sense that they permitted trade union activities in all sectors except the armed forces and police, the entitlement of the workers to collective bargaining and even to strike. The trade unions also could establish a separate fund to promote civil and political interests of the members under the Trade Union Act 1926 (Section 16), which implied that labor unions could utilize their funds in supporting a political party and in exchange, obtain pro-labor legislation promoted in the parliament. Earlier provisions of the Act were encompassed in the Trade Union (Amendment) Ordinance 1960, which gave rise to the concept of mandatory recognition of trade unions on the part of employers. It also narrowed outsider officers to 50-25 percent. It also incorporated unfair labor practices, both by the employers and employees. A military dictator, Ayub Khan, replaced the Industrial Disputes Act 1947 with the Industrial Disputes Ordinance 1959. The legislation indirectly stripped the right to strike. The workers were not allowed to strike without giving adequate notice to the employer or strike in cases where the issue was under a conciliator or in a court. The courts also had the power to issue a ban on any (in progress) lockout or strike. During the Ayub regime, the Industrial Disputes Ordinance 1959 transformed the system; additional enterprises were added to the definition of a public utility and eventually strikes were prohibited. The compulsory adjudication system subjected workers to years of travelling between one court and another seeking justice. In the case of the Yahya Khan Regime, the second military dictatorship, labor legislation was rewritten with two priorities; the trade union movement must be factory/plant-based and not related to party politics. On the one hand, the martial law regimes, immediately after the first decade of independence, indeed led to a higher level of employment. However, on the other hand, it also introduced retrogressive labor laws and the repression mechanism, which remain [15].

5.1 Existing mechanisms: labor courts, tribunals, Industrial Relations Acts

In Pakistan, various legislations have been unveiled to facilitate employment dispute resolution, such as ADR. These are the Small Claims and Minor Offenses Court Ordinance 2001, Section 102-106 of the Local Government Ordinance 2001, Section 10 and 12 of the Family Courts Act 1964 and Section 345 of the Code of Criminal Procedure 1898. Tax laws also contain provisions in favor of ADR, including Section 134-A of the Income Tax Ordinance 2001, Section 47 of the Sales Tax Act 1990, Section 195-C of the Customs Act 1969, Section 38 of the Federal Excise Act 2005 and Section 23 of the Industrial Relations Ordinance [16].

The Constitution of Pakistan, 1973, also has provisions supporting ADR, which include: Articles 153 and 154 (Council of Common Interest), Article 156 (National Economic Council), Article 160 (National Finance Commission), and Article 184 (Original jurisdiction of Supreme Court) to settle intergovernmental conflicts (between two or more governments) [17].

The legal system in Pakistan is highly organized and legal courts, as well as arbitration, are used to resolve employment disputes in Pakistan. These bodies are specified in the jurisdiction and procedures of the Provincial Employees Social Security Ordinance, 1965, and the Industrial Relations Act, 2012 (IRA 2012), among others. The main courts for resolving individual and collective labor disputes are the labor courts. They deal with unfair labor practices, illegal strikes or lockouts, interpretation of collective bargaining agreements and cases involving breach of individual employment contracts, including wrongful termination. The heavy part of the grievance process usually starts with a grievance notification served by an employee or union and then conciliation takes place. In case the conciliation does not work, it may be submitted to the Labor Court. Arbitration panels can also be applied, especially where there is a collective dispute or a particular agreement between the parties. Arbitration is a more informal and possibly quicker substitute to the court process, in which an unbiased third party arrives at a binding decision. The labor courts hear cases that include providing evidence, witnesses, and legal arguments by both parties. The decisions of the labor courts may also be subject to appeal before the higher courts, including the High Courts and the Supreme.

Besides labor courts, there are several specialized tribunals dealing with issues related to employment in Pakistan, but their operation is still inconsistent. The National Industrial Relations Commission (NIRC) still functions on the federal level, although its mandate has changed following the 18th Amendment and it now has only limited jurisdiction and the system has been frequently criticized for slow proceedings and ineffective enforcement. The social security tribunals, which are created under the Provinces Employees Social Security Ordinance 1965, are present though overworked, and in most cases, are delayed and have administration-related inefficiencies delaying benefits to workers. The existence of wage boards and tribunals is largely due to them being in place to resolve wage fixation matters when announced by the government, but they are seldom involved in resolving personal disputes. In comparison, the most active forums are the service tribunals that were established under the Service Tribunals Act 1973, as it is to this tribunal that

government employees often resort to questioning promotions, transfers, disciplinary measures and dismissals. However, these bodies are also criticized due to the number of cases pending and the time taken to conduct an appeal, and question the effectiveness of tribunal-based employment dispute resolution in Pakistan.

6 Comparative Analysis Of The UK And Pakistan

The UK employment dispute system is based on the current system, which resulted in the Industrial Relations Act 1971. It created a statutory right to claim unfair dismissal and industrial tribunals (now employment tribunals). They were motivated by the vision of the Donovan Commission for a simple and accessible 'people's court' to settle employment disputes. Nevertheless, employment tribunals now resemble specialized courts that are chaired by legally qualified judges and which deal with more complex and expensive litigation. The 1975 ACAS was established as a statutory independent organization with the role of encouraging conciliation in individual disputes. Although ACAS cannot force parties to mediate, it is significant to ensuring that legally binding settlements are achieved. During 2004 and 2005, ACAS assisted in resolving more than 86, 000 tribunal applications, averting approximately 73 percent of possible hearing days [19].

In the past 20 years, the number and cost of tribunal applications have increased dramatically because of the increasing individual rights to employment, the loss of collective bargaining (with union membership in the private sector less than 20 per cent), and the strengthening of European labor law. Tribunal costs and ACAS costs rose to 120 million in 2005-2006. In order to deal with inefficiencies, the government had presented the Dispute Resolution Regulations 2002 (effective 2004) in which employees are first subjected to a statutory grievance, discipline or dismissal process before going to a tribunal in most cases. This was to limit weak or ineligible claims and promote early resolution [20].

Employment legislation within Pakistan has greatly changed in the past years. These laws are significant in controlling the employer-employee relationship, ensuring workers are treated fairly, and ensuring their rights. This section intends to give a detailed overview of the historical, major legal developments, the structure, issues, and possible ways of reform in employment laws in Pakistan. The laws of employment in Pakistan have their origin in colonial times, when the British came in to bring about labor legislation to sustain the work force. These were the first labor laws in the nation and they gave rise to future labor laws. This was a major development with the enactment of the Industrial Relations Ordinance in 1969, a historical milestone in employment relations in Pakistan. This ordinance set up a system of settling labor conflicts and encouraging collective bargaining. The most important legal framework dealing with employment in Pakistan. i.e., the Labor Laws, which include several statutes dealing with different aspects of labor relations. An example of this is the Factories Act 1934, which is concerned with safety at work and health standards. Likewise, the Shops and Establishments Ordinance 1969 governs employment and working conditions of commercial establishments. Although these laws have been put in place, there have still been problems with employment in

Pakistan. The informal sector has one such challenge wherein a large percentage of the employees are working without legal protection. This casual employment tends to result in the contravention of employees and frustrates the performance of formal employment legislation. The employment laws in Pakistan also have gender disparities. Disparities between genders exist whereby women are discriminated against and have limited chances of getting equal treatment. The Benefit Act 1958 takes a step in that direction, but it does not provide complete coverage to working mothers. Child labor is also another burning issue, although it is a criminal offense according to legislation. The Act of 1991, Employment of Children, forbids the use of children in hazardous work, but implementation difficulties are still there. Reform of the employment laws in Pakistan should aim at filling the gap between formal and informal sectors, advancing gender equality, and eliminating child labor. Enhancement of enforcement mechanisms, creation of awareness and incentive compliance are essential factors that imply taking critical steps to achieve successful implementation. The employment legislation in Pakistan has changed with time, however, the issues related to it remain, including informal employment, gender issues and child labor. The way to deal with these problems demands large changes and an interdisciplinary strategy to guarantee the safeguarding of employees' rights and advance equitable and participatory working conditions in the land [21].

Employment law in Pakistan may be enhanced by focusing on some key aspects of the legal framework. Analysis of the labor laws and the applicable legal documents indicated that the rights of the employees and protections in Pakistan have changed with time. The Minimum Wages Act of 1961 created minimum wage levels to protect the interests of employees. Despite these standards, a lot is left to do in a bid to guarantee their proper execution. The legal provisions of organizing and registering trade unions in Pakistan are laid out in the Industrial Relations Ordinance of 2002. However, studies have shown that trade unions do not always remain independent and productive in their ability to represent employees, mainly because they are subject to several restrictions by law. In Pakistan, the labor dispute resolution mechanism is established by the Industrial Relations Act of 2012, which mandates labor courts, but the process is perceived as complicated and time-consuming. This has given rise to the demand for a more efficient ADR process to hasten the resolution of labor disputes. There are also laws on employment that aim to deal with gender discrimination, including the Employment of Children Act of 1991, which forbids child labor and asserts gender neutrality in employment. Still, there are unresolved issues related to equal pay and representation, which is why it is obvious that more effective enforcement tools need to be developed to make the workplace fair [22].

In Pakistan, there have been various arrangements outside the labor courts to address employment-related matters, though they have failed. The NIRC has jurisdiction over inter-provincial union and industrial disputes. However, due to the 18th Amendment, it has reduced jurisdiction and has been criticized as slow and weak in its enforcement. Social security tribunals are active but ineffective in helping the cases of injuries, disability, and benefits in the workplace, since there are many backlogs and administrative inefficiencies that cause payment delays for the employees. Wage boards and tribunals are primarily involved when governments

declare wage fixation, but they are hardly involved in the day-to-day wage disputes. Service tribunals can also be used by government workers, although, again, there is a substantial backlog, protracted appeals, and they are inaccessible to lower-grade employees.

However, employment dispute resolution has remained a critical issue in Pakistan despite the existence of special tribunals and legal protection. The NIRC is now limited in its jurisdiction by the 18th Amendment and suffers from delays and poor enforcement, whereas social security tribunals and wage boards are seldom effective due to administrative inefficiencies and infrequent utilization. More common service tribunals have backlogs and prolonged appeals. Outside these official platforms, a large majority of the Pakistani labor force works in the informal sector, where there are no or minimal labor laws or dispute-solving structures. It places millions of workers at a disadvantage regarding being exploited, dismissed unfairly, robbed of their wages or even discriminated against. There is also weak enforcement of the anti-child labor and anti-discrimination laws, which only exposes the word of law and practice even more. There is no regulatory and advisory body, such as the ACAS to guide organizations in Pakistan to promote compliance and avoid disputes before they can escalate. This makes the entire system inefficient, poorly implemented and incapable of tackling the realities of the informal economy, leaving the employees with minimal means in employment disputes.

Although a few forums of employment dispute resolution are already in place in Pakistan, there is no central system and database that states the exact number of cases that have been left unaddressed. There are no credible statistics, so one cannot determine the true magnitude of the problem. Reports by agencies like the Human Rights Commission of Pakistan, however, reveal that a large percentage of conflicts are unresolved and pending as the legal system moves too slowly, the procedures are cumbersome and the corporate players are too strong. This lack of transparency not only clouds the magnitude of the problem but also denies policymakers an opportunity to formulate meaningful reforms that will ensure the safety of employees in various industries.

7 Lessons For Pakistan

The ADR is an effective way of sorting employment disputes as it is less expensive, time-consuming and has negative publicity associated with litigation. The most popular one, however, is arbitration, and arbitration agreements are becoming more common in workplaces. ADR not only proves beneficial to employers because it provides a cheaper and more effective process, but also to the management by boosting its credibility among the employees. To employees, ADR can be seen as a way of seeking meaningful redress without the need to take the lengthy and expensive court process. Nevertheless, to make ADR effective in its purpose, some protection is required. It is necessary to ensure that the outcomes of an ADR are final, and there can be no duplication of litigation by the employer and that the process is fair, impartial and enforceable to the employee. Legal issues, including exclusivity, exhaustion of remedies, preclusion, enforcement of statutory claims, and judicial

review, need to be resolved to make ADR more than a mere formality and genuinely offer both parties a certain reliable dispute resolution [23].

Although arbitration will not be appropriate in all employment-related transactions and may overlook issues concerning the existence of true consent, a convergence of the knowledge of both employment law and arbitration law and practice can help parties determine where ADR techniques may be employed. Arbitration may have a beneficial effect in an extremely diverse number of employment disputes, such as, though not confined to, those to do with bonuses and deferred compensation, those to do with restrictive covenants and team transfers, but there may also be severe constraints to consider, especially when the mandatory arbitration procedures are used. It is suggested that parties consider the advantages and disadvantages of including an arbitration clause in employment-related agreements and the possibility of referring to arbitration after its emergence [24].

In terms of the significance of ADR in empowering employment dispute resolution, it is also vital to examine wider structural reforms and policy lessons, which can apply to Pakistan from the UK experience. A comparative analysis of the UK and Pakistan indicates that there are some lessons that can be used in reforming the current employment dispute resolution framework of Pakistan. The establishment of an independent ADR-based regulatory body, which would be similar to the ACAS in the UK, to offer conciliation, mediation, and arbitration services. It would also direct the employers and employees toward compliance and dispute avoidance would be considered as one of the most important steps. Pakistan needs to institutionalize ADR processes and ensure that the first step before cases go to tribunals is conciliating or mediating and that workplace mediation centers are introduced, whereby conflicts are resolved at an early stage. It should also make the system cheaper and more open, and simplify procedures, with technology-based solutions, e-filing, and establishing a centralized database that will keep a record of outstanding and closed cases. Also, reform must focus on expansion to informal sector workers, who constitute the bulk of the Pakistani workforce but, at present, are not covered by any formal labor legislation. Simultaneously, the existing tribunals' capacity should be improved via training and improved case management and fast-tracked to clear the backlog. Lastly, Pakistan needs to resolve the gender imbalance by empowering the maternity and paternity schemes, paying equal wages and enforcing laws against harassment more stringently. All these reforms would aid in closing the gap between the law and practice and make the Pakistani system more efficient, equitable, and responsive to the reality of its labor market.

8 Conclusion

This study aimed to investigate the institutional and legal framework for employment dispute resolution in Pakistan and evaluate the dependence on labor courts and tribunals, as well as the contribution of ADR mechanisms to solving employment disputes. By conducting a comparative study with the United Kingdom, one can conclude that though the countries realize the necessity of taking care of the rights of workers, they vary greatly in their methods of doing so in regard to accessibility, effectiveness, and institutional support. The system is still plagued with procedural complexity, administrative inefficiencies, and coverage, especially since the informal sector is too large to cover using formal protections in Pakistan. Conversely, the UK has a more developed and proactive system, where ADR is mainstreamed and bodies such as ACAS are paramount in steering the employer and employees towards compliance, conciliation and dispute avoidance.

The experiences of this comparison prove that Pakistan must overcome its reliance on the ineffective work of tribunals and implement structural change that can enhance both the work protection framework and the system of dispute resolution. The formation of an autonomous ADR-based regulatory agency, such as ACAS, would offer the workers a convenient, cost-effective avenue for conciliation and mediation, and decrease the judicial backlog. Also, establishing a single database to track employment conflicts would introduce much-wanted transparency, which would enable policymakers to determine trends, performance metrics, and areas of reform. The expansion of the legal coverage to informal workers is also important as they constitute most of the workforce, yet are the most susceptible to exploitation, unfair dismissals, and wage theft. The problem of gender equality and child labor also highlights the discrepancy between the written and applied law, and it becomes important to establish more robust monitoring and awareness efforts, as well as institutional systems of accountability.

To sum up, the employment dispute resolution system in Pakistan is at a crossroads. The system in place today is a product of a colonial past and a series of ad hoc solutions, but it has fallen behind in terms of the modern realities of its workforce. Following the lead of the UK, Pakistan needs to focus on the efficiency, accessibility and fairness using ADR, institutional innovation and better enforcement. It is only within the framework of such extensive reform that Pakistan has a chance to reduce unresolved conflicts, safeguard its employees and encourage robust and inclusive labor relations that do not contradict international standards and the demands of a contemporary economy.

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