

7

**IN THE FIRST SESSION OF THE
SIXTH PARLIAMENT OF THE
FOURTH REPUBLIC OF GHANA**

**REPORT OF THE COMMITTEE ON
EMPLOYMENT, SOCIAL WELFARE
AND STATE ENTERPRISES**

ON

**THE NATIONAL LABOUR
COMMISSION**

MARCH 2013

**REPORT OF THE PARLIAMENTARY SELECT COMMITTEE ON
EMPLOYMENT, SOCIAL WELFARE AND STATE ENTERPRISES
ON THE
2013 ANNUAL BUDGET ESTIMATES OF THE
NATIONAL LABOUR COMMISSION**

1.0 INTRODUCTION

The Honourable Minister of Finance and Economic Planning, Mr. Seth Emmanuel Terkper in accordance with Article 179 of the Constitution, presented the Budget Statement and Economic Policy of the Government of Ghana for the 2013 fiscal year to the House on Tuesday 5th March, 2013.

Pursuant to Standing Orders 140(4) and 184 of the House, Mr. Speaker referred the draft Annual Budget Estimates of the National Labour Commission to the Committee on Employment, Social Welfare and State Enterprises for consideration and report to the House.

2.0 ACKNOWLEDGEMENT

The Committee met with the Executive Secretary and officials of the National Labour Commission and deliberated on the 2013 Draft Annual Estimates of the Labour Commission. The Committee is grateful to them for the information and support they provided during deliberations on the estimates.

3.0 REFERENCE DOCUMENTS

In considering the draft Annual Estimates for the Commission, the under listed documents were used as reference materials:

1. The 1992 Constitution of Ghana,
2. The Standing Orders of Parliament of Ghana
3. The 2012 Budget Statement and Economic Policy of the Government of Ghana.
4. The 2013 Budget Statement and Economic Policy of the Government of Ghana.
5. The 2013 Draft Annual Estimates of the National Labour Commission.

4.0 MISSION STATEMENT OF THE NATIONAL LABOUR COMMISSION

The Mission of the National Labour Commission for the 2013 fiscal year is to develop and promote a peaceful and harmonious industrial relations environment through the use of effective dispute resolution practices within the context of the law, promotion of co-operation among the labour market players and mutual respect for their rights and responsibilities

4.1 VISION STATEMENT OF THE NATIONAL LABOUR COMMISSION

The vision of the Commission is to promote a peaceful and harmonious industrial relations environment borne out of the firm understanding of and committed compliance with the labour Laws by all stakeholders to make the Ghanaian economy competitive to attract investment.

5.0 STRATEGIC POLICY OBJECTIVES

The strategic objectives of the National Labour Commission are to:

- Facilitate and settle industrial disputes in accordance with the Labour Act, 2003 (Act 651).
- Strengthen the capacity of the National Labour Commission to ensure speedy resolution of disputes.
- Enforce rules and regulations governing labour administrations, international labour standards and ILO Conventions.
- Promote social dialogue among the Tripartite Partners,
- Strengthen the capacity of the Tripartite Partners.
- Build staff capacity through training and development.
- Deepen on-going institution and internalization and policy formulation, planning, monitoring and evaluation system at all levels.
- Promote and protect the rights and responsibilities of employers and employees.
- Increase the capacity of the Judiciary on Act 651 and its Labour Regulations, L.I. 1822 and L.I. 1833.
- Improve the capacity of labour mediators and arbitrators.
- Promote an enabling environment and effective regulatory framework for corporate management.

6.0 REVIEW OF THE COMMISSION'S PERFORMANCE IN 2012

In the 2012 fiscal year, the National Labour Commission was allocated an amount of **One Million Five Hundred and Seventy Three Thousand One Hundred and Ninety Five Ghana Cedis (GH¢1,573,195.00)** to carry out the following activities;

- a. Settle industrial disputes
- b. Conduct training on Act 651
- c. Build capacity of labour mediators and arbitrators.
- d. Sensitize the Judiciary on Act 651
- e. Train Staff of the Commission
- f. Implement Monitoring and Evaluation activities
- g. Refurbish and equip offices of the Commission and
- h. Purchase vehicles for the activities of the Commission

Out of the earmarked activities the Commission was able to:

Organise seminars and workshops to train, sensitize and strengthen social partners in social dialogue and tripartism as spelt out in the Labour Act, 2003 (Act 651).

The Commission again received a total of Six Hundred and Sixty complaints from individuals, trade unions, workers associations, employers and employee in 2012. Out of complaints received One Hundred and Fifty One (151) were settled. In addition, 170 outstanding cases rolled over from 2011 were also settled. The commission also referred 77 cases involving over 500 workers for mediation and voluntary arbitration.

7.3 OUTLOOK FOR 2013

7.4 FUNDS ALLOCATED FOR THE 2013 FISCAL YEAR

For the implementation of activities for 2013 fiscal year, an amount of Two Million, Eighty Four Thousand, Six Hundred and Twenty Three Ghana Cedis (GH¢2,084,623) has been allocated. Out of this, One Million Seven Hundred and Eighty Four Thousand Six Hundred and Twenty Three (GH¢1,784,623) is GoG, and ABFA is Three Hundred Thousand Ghana Cedis (GH¢300,000).

The breakdown of the allocation is as follows:

	GOG	DONOR	IGF	OTHER FUNDS	TOTAL
COMPENSATION OF EMPLOYEES	754,043	-	-		
GOODS & SERVICES	607,830	-	-		
ASSETS	422,750	-	-		
ABFA	-	-	-	300,000	
TOTAL	1,784,623	-	-	300,000	2,084,623

7.5 ACTIVITIES FOR 2013

The Commission will in 2013 step up its activities by using the alternative dispute resolution processes effectively to settle most of the complaints filed

with it. Again, the Committee will strengthen its institutional capacity and that of the mediators and arbitrators.

To minimize agitations by public sector workers, the Committee would build the capacity of employers and staff in the public sector on the provisions of Act 651.

The Commission will further produce a docudrama on the provisions of Labour Act, 2003 (Act 651) to be aired on the electronic media to sensitise social partners. The docudrama would be air during regional tours of the Commission to reach a wider audience.

8.0 OBSERVATIONS AND RECOMMENDATIONS

8.1 COMPENSATION OF EMPLOYEES

The Committee noted with concern the inability of the Commission to fully account for funds expended on Compensation of Employees. According to the Commission, the Controller and Accountant General has not been able to fully compute total expenditure on Compensation of Employees since the role over of the Commission unto the Single Spine Salary Structure in July 2012. It was again noted that 12 employees of the Commission have not been paid their salaries for July 2012.

The Committee considers the situation unacceptable and urges the Controller and Accountant General to expedite action on the computation of the salaries and also pay the affected staff their outstanding salaries to forestall agitation in the future.

The Committee would also gain a better picture of funds required for compensation of employees in the 2013 fiscal year when provided with actual figures expended on Compensation of Employees for the 2012 fiscal year. The

current situation makes the Committee uncertain if provisions made would be sufficient to cover wages and salaries for the 2013 fiscal year.

8.2 LATE REALEASE OF FUNDS

The Committee also observed the late release of funds to the Commission. The second quarter release of funds from the Ministry of Finance and Economic Planning to the Commission was received in second week in January 2013. The third quarter release was also received in the last week of January 2013. These late releases affect the efficiency of the Commission and do not motivate staff to give of their best. The Committee therefore urges the Ministry of Finance and Economic Planning to release funds to the Commission on time to boost its efficiency.

8.3 ANNUAL BUDGET FUNDING ACCOUNT (ABFA)

The Committee further realized that the National Labour Commission has been allocated an amount of **Three Hundred Thousand Cedis (GH¢300,000)** from the Annual Budget Funding Account to augment provisions under Goods and Services. The Committee urges the Ministry of Finance and Economic Planning to in future increase provisions under Goods and Services to enable the Commission work effectively.

8.4 NON-PAYMENT OF UTILITY BILLS

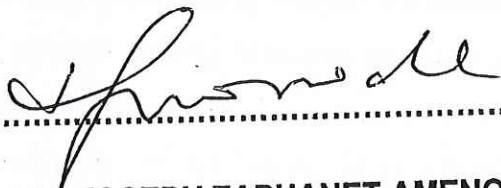
The Committee further noted that the Commission has not settled its electricity bills from 2012 to date. The Executive Secretary explained that the Commission has not been able to pay the bills because releases from the Ministry of Finance have not been adequate. The Committee urges the Ministry of Finance and Economic Planning to release funds to the Commission on time to enable them meet their obligations.

9.0 CONCLUSION

The National Labour Commission plays a critical role in promoting peaceful and harmonious industrial relations through effective dispute resolution practices within the context of law. It is therefore important that it is funded adequately to ensure peace in the labour front.

The Committee therefore recommends the adoption of its report and the approval of an amount of **Two Million, Eighty Four Thousand, Six Hundred and Twenty Three Ghana Cedis (GH¢2,084,623)** to support activities earmarked by the National Labour Commission for the 2013 fiscal year.

Respectfully submitted



HON. JOSEPH ZAPHANET AMENOWODE

CHAIRMAN



MS. ANITA QUARTEY- PAPAPIO

CLERK