

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

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

PARLIAMENT OF GHANA
PARLIAMENT HOUSE
OSU - ACCRA

ON THE

*2016 PROGRAMME BASED BUDGET ESTIMATES OF THE
MINISTRY OF EMPLOYMENT AND LABOUR RELATIONS*

December, 2015

***REPORT OF THE PARLIAMENTARY SELECT COMMITTEE ON
EMPLOYMENT, SOCIAL WELFARE AND STATE ENTERPRISES
ON THE 2015 ANNUAL BUDGET ESTIMATES OF THE
MINISTRY OF EMPLOYMENT AND LABOUR RELATIONS***

1.0 INTRODUCTION

The Honourable Minister of Finance and Economic Planning, Mr. Seth Emmanuel Terkper in accordance with Article 179 of the 1992 Constitution and Standing Order 138 on Friday 13th November, 2015 presented the Budget Statement and Economic Policy of the Government of Ghana for the 2016 fiscal year to the House.

Pursuant to Standing Orders 140(4) and 184 of the House, Mr. Speaker referred the Annual Budget Estimates of the Ministry of Employment and Labour Relations 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 following persons to deliberate on the 2016 Annual Estimates of the Ministry of Employment and Labour Relations:

1. The Minister for Employment and Labour Relations, Hon. Haruna Iddrissu,
2. Directors and officials of the following departments and agencies:
 - a. Ministry Headquarters
 - b. Labour Department
 - c. Department of Factories Inspectorate
 - d. Department of Co-operatives
 - e. Management Development and Productivity Institute
 - f. National Vocational Training Institute

- g. Opportunity Industrialisation Centre
- h. Ghana Co-operative Council
- i. Integrated Community Centre for Employable Skills
- j. Fair Wages and Salaries Commission
- k. National Pensions Authority
- m. Youth Employment Agency (YEA)
- l. Ministry of Finance

The Committee is grateful to all of them for the information and explanations provided the Committee during deliberations.

3.0 **REFERENCE DOCUMENTS**

In considering the Annual Estimates for the Ministry, 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 2015 Budget Statement and Economic Policy of the Government of Ghana
4. The 2015 Programme Based Budget Estimates of the Ministry of Employment and Labour Relations
4. The 2016 Budget Statement and Economic Policy of the Government of Ghana.
6. The 2016 Programme Based Budget Estimates of the Ministry of Employment and Labour Relations.

4.0 **MISSION STATEMENT**

The Ministry of Employment and Labour Relations exists to coordinate employment opportunities and labour-related interventions in all sectors as well as promote decent jobs and ensure harmonious labour relations in Ghana

4.1 **STRATEGIC POLICY OBJECTIVES**

The strategic policy objectives of the Ministry of Employment and Labour Relations for 2016 are to:

- ❖ improve the policy environment and institutional capacity for the effective human capacity development and employment policy management
- ❖ Create opportunities for accelerated job creation across all sectors
- ❖ Enhance labour productivity across all sectors
- ❖ Improve work place safety and health
- ❖ Enhance labour administration and promote harmonious labour relations
- ❖ Protect children against abuse and exploitation
- ❖ Provide timely, reliable and disaggregated labour market data for effective planning and programming
- ❖ Ensure provision of adequate training and skills development in line with global trends
- ❖ Encourage the formation of small business enterprises through the co-operative system

PARLIAMENT OF GHANA LIBRARY
PARLIAMENT HOUSE
OSU – ACCRA

4.3 CORE FUNCTIONS OF THE MINISTRY

The Ministry performs the following core functions:

- ❖ Initiate, formulate and coordinate sector policies and programmes as well as schemes to ensure sustainable, accelerated employment-generation and human capital development
- ❖ Develop strategies and mechanisms to ensure and promote industrial peace and harmony
- ❖ Develop and periodically review all legal and policy instruments for the sector
- ❖ Ensure the development and review of labour market information management systems to facilitate the availability of timely, relevant and accurate national employment and labour statistics
- ❖ Coordinate all national employment initiatives with the collaboration of relevant stakeholders of the economy
- ❖ Ensure the monitoring and evaluation of sector policies, programmes and projects in relation to gainful employment-generation and the promotion of industrial harmony
- ❖ Promote best management practices, systems and procedures in all sectors of the economy to enhance productivity
- ❖ Ensure fair and equitable wages and salaries for employees in all sectors of the economy
- ❖ Ensure the provisions of employable skills and apprenticeship particularly to the youth through vocational and technical training at all levels to promote decent and sustainable jobs

- ❖ Ensure occupational safety and health for all workers in both the formal and informal sectors
- ❖ Ensure all workplaces conform to labour laws through labour inspection
- ❖ Facilitate the development of vibrant co-operatives and small scale enterprises for employment generation and poverty reduction

5.0 **REVIEW OF THE 2015 PERFORMANCE OF THE MINISTRY OF EMPLOYMENT AND LABOUR RELATIONS**

5.1 **FUNDS ALLOCATED FOR 2015**

The Ministry of Employment and Labour Relations was provided an allocation of **GH¢43,787,365.00** for its activities for the 2015 fiscal year. Out of the amount provided **GH¢35,340,346.00** was from GOG and **GH¢8,446,929.00** from Internally Generated Funds.

5.2 **BREAKDOWN OF 2015 BUDGET ALLOCATION**

The breakdown of the allocation is captured below:

Table 1: Table on 2015 Budget Allocation

	GOG	DONOR	IGF	TOTAL
EMPLOYEE COMPENSATION	30,242,193.00	-	-	30,242,193.00
GOODS & SERVICES	4,348,243.00	-	6,196,929.00	10,545,172.00
ASSETS	750,000.00		2,250,000.00	3,000,000.00
TOTAL	35,340,346.00	-	8,446,929.00	43,787,365.00

Source: The Budget Statement and Economic Policy of GOG for 2014 fiscal year

TABLE 2: 2015 BUDGET ALLOCATIONS BY PROGRAMMES

No.	Programmes and Cost Centres	Compensation	Goods & Services	Asset	IGF	Total	Percentage Allocated
A	Management and Administration (Headquarters)						
L		1,101,780	2,169,529	48,000		3,319,310	7.58
B	Job Creation and Development						10.02
	Skills Development	3,816,239	434,820	136,797	0	4,387,859	
	Labour Administration:	15,622,490	493,220	164,928	4,340,081	20,620,720	47.09
		9,701,684	1,250,669	400,274	4,106,848	15,459,476	35.31
		30,242,193	4,348,243	750,000	8,446,929	43,787,365	100

Table 3: BUDGET ALLOCATION BY PROGRAMMES AND COST CENTRES

Programmes and cost centres	Compensation	Goods and Service	Asset	IGF	Total	Percentage
Management and Administration					3,319,310	7.58%
Headquarters	1,101,780	2,169,529	48,000		3,319,310	
Job Creation and Development					4,387,859	10.02%
GYEEDA	0	0	0	0	0	
GEBSS	0	0	0	0	0	
Department of Cooperative	3,607,804	230,000	78,000	0	3,916,162	
Ghana cooperative council	128,604	100,824	0	0	229,428	
Ghana cooperative College	79,831	104,000	58439	0	242,270	
Sub-total	3,816,239	434,820	136,797	0	4,387,859	

Source: Ministry of Employment and Labour Relations

Programmes and Cost Centres	Compensation	Goods & Services	Asset	IGF	Total	Percentage Allocated
Skills Development					20,620,720	47.09
National Vocational Training Institute (NVTI)	8,604,182	81,500.00	0	2,978,400	11,664,082	
Integrated Comm. Centres for Employable Skills Opportunities Ind. Centres	4,396,594	180,150	164,928	0	4,741,673	
Management Development & Productivity (MDPI)	1,027,264	130,682	0	317,665	1,475,611	
Subtotal	1,594,450	100,888	0	1,044,016	2,739,354	
	15,622,490	493,220	164,928	4,340,081	20,620,720	47.09

Programmes and cost centres	Compensation	Goods and Service	Asset	IGF	Total	% Allocated
Labour Administration					15,459,476	35.31%
Labour Department	3,319,612	351,384.00	178,988.00	0	3,849,985	
Department of Factories Inspectorate	998,545.00	290,000.00	60,000.00	0	1,348,545	
Fair wages and Salaries Commission	1,630,367.00	358,900.00	0	0	1,989,267	
OATUU	107,691.00	0	0	0	107,691	
National Pensions Regulatory Authority	3,645,469	250,385	161,286	4,106,848	8,163,988	
Sub-total	9,701,684	1,250,669	400,274	4,106,848	15,459,476	35.31%
Total	30,242,193	4,348,243	750,000	8,446,929	43,787,365	100%

6.0 PROPOSED PERFORMANCE FOR 2015

The Ministry of Employment and Labour Relations proposed to commit the funds allocated in the 2015 fiscal year to the following activities:

6.1 JOB CREATION AND DEVELOPMENT PROGRAMME

The Ministry recognized the incidence of unemployment as a threat to national security and proposed to implement various employment creation interventions to address the unemployment challenge.

In 2015, the Ministry proposed to ensure the mainstreaming of Ghana Youth employment and Entrepreneurial Agency (GYEEDA) in the administrative structures and revise GYEEDA modules in accordance with the new law and apply a new 'Triangular Model' that links beneficiaries to skills development institutions, and viable cooperative societies to enhance their employment opportunities.

The Ministry was also to strengthen and revamp the Graduate Business Support Scheme (GEBSS) and provide entrepreneurial/business development skills to 4,000 unemployed graduates.

The Fair Wages and Salaries Commission (FWSC) was to develop an instrument on the new Public Service-Wide Performance Management System to facilitate its implementation. It was to enjoin employers to pay for work done and compensate for increases in productivity of employees.

6.2 SKILLS DEVELOPMENT PROGRAMME

The Ministry was to revamp its demand-driven vocational and technical employable skills training programmes to equip artisans with requisite skills needed by industries. Under this, it proposed to train a total of 47,809 persons in various trades.

The Ministry was again to ensure the implementation of the National Employment and Labour-Intensive Public Works Policies through its coordinative functions and establish the necessary structural frameworks that will ensure effective and efficient implementation.

6.3 LABOUR ADMINISTRATION PROGRAMME

In the 2015 fiscal year, the Fair Wages and Salaries Commission (FWSC) proposed to establish a Public Service-Wide Performance Management System with effective rewards and sanction mechanism that will ensure high productivity in the public services.

The Commission in 2014 produced a report on the harmonization and standardization of categories 2 and 3 allowance. A capacity and readiness assessment was conducted for 8 subvented agencies to be weaned off government subvention.

The Ministry was to continue to pursue the strengthening of the Occupational Safety and Health System to protect workers from industry injuries and fatalities. The Ministry proposed to finalize the draft Occupational Safety and Health Policy to replace the obsolete Factories, Offices and Shops Act (1970), Act 328 and propose the promulgation of legislative instrument with appropriate power to address occupational safety and health issues in all sectors.

The Ministry was also to collaborate with domestic and external partners to implement the National Plan of Action on the elimination of worst forms of Child Labour. It was to ensure that children were not unduly exploited in economic ventures that may have adverse consequences on their health and education especially in the cocoa, fisheries, quarrying and mining sectors of the economy.

6.4 REGULATORY SERVICE PROGRAMME

The National Pensions Regulatory Authority was to build a robust integrated pensions management and compliance system by acquiring ICT infrastructure for office automation, and undertake on site monitoring and supervision in line with international standards.

7.0 2015 FINANCIAL PERFORMANCE BY PROGRAMMES

7.1 Table 4 : SUMMARY OF MELR 2015 BUDGET PERFORMANCE BY ECONOMIC CLASSIFICATION AS AT SEPTEMBER, 2015

No.	ECONOMIC CLASSIFICATION	2015 ALLOCATION GH₵	RELEASE GH₵	ACTUAL EXPENDITURE GH₵	Percentage Expended %	VARIANCE GH₵	Percentage of Variance against Budget %
1.	Compensation of Employees	30,242,193.00	21,815,720.48	21,815,720.48	72.14	8,426,472.52	27.86
2.	Goods & Services	4,348,243.00	5,687,983.00	3,417,894.32	78.60	930,348.68	21.40
3	Assets/Capex	750,000.00	152,374.00	152,374.00	20.32	597,626.00	79.68
4.	IGF	8,446,929.00	7,251,701.31	4,248,528.11	50.30	4,198,400.89	49.70
	TOTAL	43,787,365.00	34,907,778.79	29,634,516.91	67.68	14,152,848.09	32.32

**Table 5: SUMMARY MELR 2015 BUDGET PERFORMANCE BY PROGRAMME
AS AT SEPTEMBER, 2015**

N O	PROG	2015 ALLOCATION GH¢	RELEASE GH¢	ACTUAL EXPENDITURE GH¢	% Expended	VARIANCE GH¢	% of Variance against Budget
1	Management & Administration	3,319,310.00	2,248,600.98	1,738,889.23	52.39	1,580,420.77	47.61
2	Job Creation & Cooperative Development	4,387,859.00	3,006,498.28	2,914,348.32	66.42	1,473,510.68	33.58
3	Skills Development	22,065,448.00	15,321,156.25	15,055,222.08	68.23	7,010,225.92	31.77
4	Labour Administration	14,014,748.00	14,331,523.28	9,926,057.28	70.83	4,088,690.72	29.17
	TOTAL	43,787,365.00	34,907,778.79	29,634,516.91	67.68	14,152,848.09	32.32

8.0 FUNDS ALLOCATED FOR THE 2016 FISCAL YEAR

8.1 FUNDS ALLOCATED FOR 2016

The Ministry of Employment and Labour Relations has been allocated an amount of **GH¢47,925,145** for its activities for the 2016 fiscal year. Out of the amount provided **GH¢31,831,566** was from GOG and **GH¢16,093,580.00** from Internally Generated Funds.

8.2 BREAKDOWN OF 2016 BUDGET ALLOCATION

The breakdown of the allocation is captured below:

Table 6: Table on 2015 Budget Allocation

	GOG	DONOR	IGF	TOTAL
EMPLOYEE COMPENSATION	29,657,445	-	2,183,722	31,840,167
GOODS & SERVICES	2,174,121	-	7,511,076	9,685,197
ASSETS/CAPEX	-	-	6,398,782	6,398,782
TOTAL	31,831,566	-	16,093,580	47,925,145

Source: The Budget Statement and Economic Policy of GOG for 2016 fiscal year

Table 7: MELR 2016 BUDGET ALLOCATION BY PROGRAMME AND SUB-PROGRAMME

No.	Programmes and Sub-Programmes	ECONOMIC CLASSIFICATION				Total	% Allocated
		Compensation	Goods & Services	Capex	IGF		
P.1	Management and Administration	1,150,049.00	869,859.00	-	-	2,019,698.00	4.21
SP.1	Finance & Administration	714,629.00	347,859.00	-	-	1,062,489.00	
SP.2	Human Resource	115,200.00	130,447.00	-	-	245,647.00	
SP.3	PPME	143,137.00	304,377.00	-	-	447,515.00	
SP.4	RSIM	177,082.00	86,965.00	-	-	264,047.00	

P.2	Job Creation & Coop. Development	4,110,588.00	326,118.00	-	-	4,436,706.00	9.26
SP.5	Cooperative Development	4,110,588.00	326,118.00	-	-	4,436,706.00	
P.3	Skills Development	16,819,767.00	336,989.00	-	5,593,599.00	22,750,354.00	47.47
SP.6	Voc. Skills Trg & Testing	15,888,762.00	303,290.00	-	4,867,276.00	21,059,328.00	
SP.7	Mgt. Skill Dev't & Pdty	931,004.00	33,699.00	-	726,323.00	1,691,026.00	
P.4	Labour Administration	7,577,041.00	641,366.00	-	10,499,981.00	18,718,388.00	39.06
SP.8	Employ't Serv. Lab. Rel.&Est. Insp.	3,948,573.00	218,064.00	-	-	4,166,637.00	
SP.9	OSH	873,531.00	179,582.00	-	-	1,053,113.00	
SP.10	Public Serv. Wage & Salaries Admin	1,320,216.00	192,410.00	-	-	1,512,625.00	
SP.11	Pension Reforms & Regulat'ns	1,434,722.00	51,309.00	-	10,499,981.00	11,986,012.00	
	MELR TOTAL	29,657,445.00	2,174,121.00	-	16,093,580.00	47,925,146.00	100

Source: The Budget Statement and Economic Policy of GOG for 2016 fiscal year

9.0 PERFORMANCE FOR 2015 AND PROJECTED PERFORMANCE FOR 2016

The following constitutes the performance for 2015 and projected performance for 2016:

Management and Administration Programme

A draft Occupational Safety and Health (OSH) Policy Bill was revised and submitted to the Attorney General's Department for advice. A draft Labour-intensive Public Works (LiPW) Policy and Implementation Plan was also revised and submitted to Cabinet for approval.

The Ministry will launch the LiPW and OSH Policies and initiate processes to establish a National Occupational Safety and Health Authority. It will also collaborate with the Ministries of Local Government and Rural Development and Roads and Highways to strengthen the implementation of existing Labour-intensive Public Works Projects to provide employment opportunities for the poor.

Job Creation and Development Programme

The Ministry continued with policy development to promote job creation and reduction of decent work deficits. A total of 47,000 youth were engaged under various modules of the Youth Employment Agency (YEA). The Department of Cooperatives organized 600 economic groups across sectors into vibrant cooperative societies, audited 305 and trained 200 artisans in various employable skill categories.

In 2016, the Ministry will strengthen the Graduate Entrepreneurial Business Support Scheme (GEBSS) to create more job opportunities for young graduate entrepreneurs to establish and grow their businesses.

Skills Development Programme

To address the skills mismatch challenges to national development, the Ministry collaborated with the Ministry of Education in rebranding TVET. The Skills Development Agencies namely, Management Development and Productivity Institute (MDPI), National Vocational Training Institute (NVTI), Integrated Community Centre for Employable Skills (ICCES) and Opportunity Industrialization Centre, Ghana (OIC-G), trained in total 15,051 youth in various vocational trades.

Furthermore, the NVTI tested 24,883 candidates in vocational skills, ICT and secretaryship. In addition, 2,425 master-craft persons were trained, accredited 384 vocational schools and 3,643 informal apprenticeships registered. To enhance productivity, 377

employees in both the private and public sectors were trained in management development skills.

In 2016, the Ministry will train 15,453 youth in technical and vocational skills, organize testing and certification for 43,320 candidates in vocational skills, ICT and secretaryship to meet emerging trends. A total of 750 persons will be trained in management development skills to enhance their productivity.

Labour Administration Programme

The Ministry acquired computers and accessories, installed a server and trained district labour and research officers in STATA analysis with the aim of establishing a functional Labour Market Information System (LMIS). The Ministry developed Terms of Reference (ToR) and procured consultants to develop a framework for the LMIS and Monitoring and Evaluation (M&E) plan.

The Labour Department conducted 196 establishment inspections to ensure the enforcement of law on standards and regulations. Additionally, the Department facilitated the employment of 3,941 jobseekers, issued 15 Collective Bargaining Certificates and addressed 167 labour complaints. In 2016, the Ministry will revamp its Public Employment Centres in selected districts.

The Ministry through the Department of Factories Inspectorate inspected 1,633 registered factories, registered 345 new ones, conducted 67 safety and health talks and also conducted 42 industrial hygiene surveys.

The Ministry together with other key stakeholders held a Consultative Tripartite meeting as a follow up to the implementation of the recommendations of the Ho Forum on the Single Spine Pay Policy (SSPP). A Communique issued from the consultations came out with recommendations for addressing emerging challenges associated the implementation of the SSPP.

The Fair Wages and Salaries Commission (FWSC) submitted migration report of four remaining public institutions yet to be migrated onto the Single Spine Salary Structure (SSSS) to the Parliamentary Select Committees on Finance and Legal Affairs. The Commission negotiated and concluded agreement on Categories two and three allowances and the Base Pay on the SSSS for 2016.

The National Pensions Regulatory Authority (NPRA) organized stakeholder education and sensitization workshops on the National Pension Act, 2010, (Act 866) for 50 trade unions and also inspected 46 Trustees, Custodians and Employer Sponsored Schemes.

In 2016, the Ministry will continue with its supervisory function, inspections and monitoring programmes to ensure better benefits for pensioners in the country, as well as monitor Trustees and various types of Pensions Schemes to enforce the pension law and ensure adherence to good practices.

The Ministry will collaborate with domestic and external partners to implement the National Plan of Action on the elimination of the worst forms of Child Labour. This is to ensure that children are not unduly exploited in economic ventures that may have an adverse effect on their health and education, especially in cocoa, fisheries, quarrying and mining sectors of the economy.

The National Pensions Regulatory Authority (NPRA) will continue with supervisory, inspection and monitoring programmes to ensure better benefits for pensioners. The Authority will continue to monitor trustees and the various types of pension schemes to enforce provisions of the law and ensure adherence to good practices.

10.0 OBSERVATIONS AND RECOMMENDATIONS

10.1 EMPLOYEE COMPENSATION UNDER LABOUR ADMINISTRATION

It was observed that employee compensation under Labour Administration has been reduced drastically. In 2015, employee compensation provided was GH¢15,321,156.25. However for the 2016 fiscal year an amount of GH¢7,577,041 has been allocated. The Committee was however informed that all allowances have been slashed but the funds allocated would be adequate for compensation of those currently at post. The Committee recommends that Ministry of Finance should ensure that all employee compensations due under labour administration be paid to ensure industrial harmony.

10.2 GRADUATE SUPPORT SCHEME

It was again observed that although the establishment of the graduate support scheme was captured as one of the Ministry's activities for 2015 there was no report on the achievement of the scheme. The Committee was informed that nothing was reported on the programme because it did not make any significant achievement . The Committee recommends that efforts should be made to revamp the programme since it would go a long way to help reduce graduate unemployment.

10.3 YOUTH EMPLOYMENT AGENCY

It was noted that the agency would soon commence recruitment of the youth into its programmes. Advertisements have been placed in the national news papers for competitive tenders from persons who may wish to participate in the training of the youth under the various programmes of the Agency. Both private and public sector would participate in the running of the programmes. The National Vocational Training Institute (NVTI) would be resourced to participate in some of the training programmes.

The Committee again noted that beneficiaries would be given allowances to support them during their training as well the necessary tools to begin their own businesses after their training. The Committee however realised that funds allocated to the agency for the running of its programmes was not enough taking into consideration the number of youth they intend to train and allowances proposed for them. The Committee therefore recommends that further consultations should be made to ensure those beneficiaries are adequately resourced during the period of their training.

It was further realised that the Agency inherited a liability of GH¢111,962,547.20 from the defunct Ghana Youth Employment and Entrepreneurial Development Agency (GYEEDA) and provision has been made for the liability to be paid within

the year. It was proposed that 16.78% of the amount be paid under the budget of the agency for the 2016 fiscal year. The Committee considers the 16.78% proposal too high and suggests that the liability should be spread and paid over a three year period.

The Committee was also informed that the Youth in Agriculture programme would be rolled out as a flagship programme within the year under the patronage of His Excellency President John Dramani Mahama, the Asantehene Otumfuo Osei Tutu II and Jeffrey Sachs. The Committee considers the programme too open ended and recommends that the programme should be targeted at a particular field of agriculture to ensure that the right impact is made.

10.4 NATIONAL VOCATIONAL TRAINING INSTITUTE

The Committee noted that the institute still lacks the necessary tools to function optimally. It is therefore not able to attract the proposed number of students that it can train within a year. It proposed to enroll 4,900 students within the 2015 fiscal year but it was able to enroll only 2,948. Efforts at obtaining external funding to retool the school did not also materialize.

The Informal apprenticeship programme however attracted a higher level of enrolment due to education of artisans on the benefits of the programme.

The Committee was however optimistic that if the Institute is provided the opportunity to handle some of the programmes under the Youth Employment Agency, it would be able over the next 5 years to obtain the necessary funds to retool. It therefore recommends that the institute should be provided grants by the Youth Employment Agency for the next five years to retool itself and position itself to train the youth as desired.

10.5 DEPARTMENT OF COOPERATIVES

The Department of Cooperatives exists to facilitate the development of vibrant cooperative enterprises that are capable of contributing to sustainable employment generation, poverty reduction and community development. The function includes group formation, registration of co-operatives, arbitration, audit and inspection of co-operatives.

It was noted that enrolment into the programmes of the cooperative increased due to the increasing demand of persons in the cocoa sector for enrolment under the Cocolife Mondez programme. Enrolment increased from 650 to 850 due to the benefits that cocoa farmers obtain from joining Cooperatives. The Committee commends the Department of Cooperatives for its efforts at increasing the number of co-operatives it registered within the year as well as increase in the number enrolled.

10.6 GHANA COOPERATIVES COLLEGE

The college exists to train vibrant cooperative societies to be self reliant. Over the years it has however not been adequately resourced to perform as expected. It was noted that the college within the year under review sought support from the Korean Embassy and received funds for the renovation of its college. The Committee commends the managers of the college as well as the Ministry of Employment and Labour Relations for the effort at ensuring the survival of the college.

10.7 INTEGRATED COMMUNITY CENTRES FOR EMPLOYABLE SKILLS

It exists to train the unemployed youth in technical and vocational skills. It is also targeted at the illiterate and semi-illiterate youth to prevent rural urban drift. It was however noted that communities are currently not so supportive of the programme mainly due to the lack of interest in the acquisition of vocational skills. This has resulted in dwindling enrolments in the centre. It was also realised that does not report adequately on its internally generated funds. The Committee therefore

recommends that the Ministry of Employment and Labour Relations should ensure that funds generated are properly accounted for and the appropriate directives given for their use.

10.8 DEPARTMENT OF FACTORIES INSPECTORATE

The primary responsibility of the department is to ensure that work places are safe, healthy and free of hazards. The main challenges of the department are however the lack of an occupational safety law to govern its activities as well as the inadequate technical staff. Indeed most of the inspectorate staff do not have adequate technical skills apart from what they have learnt on the job. The Committee recommends that funds should be provided to the inspectorate to train its staff to ensure efficiency in their work and the necessary occupational safety laws should be developed to ensure that employers provide safe and health work environment for their staff.

10.9 LABOUR DEPARTMENT

It was realised that although the department collaborates with the Ministry of Gender, Children and Social Protection in relation to issues of child trafficking and abuse, their operational areas are not very well defined. The Committee encourages greater collaboration to ensure that the welfare of children in child labour and trafficking are better catered for.

The lack of a national labour policy was also noted. The committee was informed that efforts are being made in collaboration with stakeholders to put together the national labour policy. The Committee urges the department to expedite action on the formulation of the policy to ensure harmony in the labour front.

The Committee was also informed of the vision of the ministry to rebrand the department to make it easy for job seekers to consult it for job placement. There

may be the need to change the law governing the existence of the department in order to obtain that vision and efforts will be made within the year to review the law. The labour complex will also be completed to house the department as part of the rebranding.

The proposal for review of the charges of the department in the award of labour tender certificates, collective bargain certificates and security deposits was also noted. The Committee is of the view that the current fees charged are too low and should be reviewed upwards to reflect current economic conditions. The Committee therefore urges the Ministry to ensure a review of the charges within the year to ensure that adequate funds are raked in to assist with operations of the department. The Committee also proposes the retention of the Internally Generated funds to ensure that the department is adequately resourced.

10.11 **NATIONAL PENSIONS REGULATORY AUTHORITY**

It was realised that funds provided under employee compensation during the year was not completely utilized due to the inability of the Authority to employ additional personnel as envisaged. It was allocated GH¢3,645,469 but expended only GH¢1,121,298 because the Authority received the approval for the engagement of 33 additional staff very late in the year. It however envisions engaging additional staff in the 2016 fiscal year since it intends to open three more branches in Tamale, Takoradi and Kumasi. The opening of the new office would make the Authority more visible and defuse the myth surrounding its operations.

The Committee also realised that consensus has been reached between government and the 12 labour unions with regards to management of the public sector 2nd tier pension schemes. In addition, the Authority has transferred an amount of GH¢14 million to two schemes and hopes to make further transfers within the year after verification and validation of other schemes.

The Committee commends the Authority for the efforts at resolving the issues regarding the 2nd tier scheme and urges it to do more to ensure that the process is completed within the year.

10.12 **FAIR WAGES AND SALARIES COMMISSION**

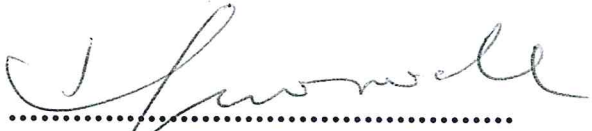
It was realised that although the Commission proposed to engage 7 more employees in the 2015 fiscal year, approval for the engagement was received late and so the appointments could not be done. Funds therefore received for the exercise was returned into the consolidated fund. The Commission has not however been provided those funds under the allocation for 2016. The Commission considers that unfortunate since it would adversely affect its operations. The Committee recommends that the Ministry of Finance should ensure that Commission is provided the needed funds to appoint the new staff and ensure efficiency in the work of the Commission.

It was also realised that the Commission has still not been able to migrate the remaining four public service institutions onto the single spine salary scheme due to various challenges. The Committee urges the Commission to continue in its strive to migrate the institutions to avoid distortions of salaries.

11.0 CONCLUSION

A peaceful labour environment is essential for the development of every nation. It is therefore imperative that the Ministry of Employment and Labour Relations is adequately resourced to coordinate all employment and labour issues to ensure decent jobs and harmonious industrial relations for National Development. In that regard, the Committee recommends for the adoption of its report and approval of the sum for the sum of **Forty Seven Million, Nine Hundred and Twenty Five Thousand, One Hundred and Forty Five (GH¢47,925,145.00)** for the execution of the activities of the Ministry of Employment and Labour Relations for the 2016 fiscal year.

Respectfully submitted



.....
HON. JOSEPH Z. AMENOWODE
CHAIRMAN



.....
ANITA QUARTEY-PAPAFIO
CLERK

