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**TIME FOR GENUINE
SOCIAL DIALOGUE
On Economic Policy
In Ghana**

**PRESS STATEMENT
On the FUEL PRICE INCREASES**

**ENHANCING
DECENT WORK &
APPLICATION OF
LABOUR STANDARDS**

IT IS TIME for a GENUINE SOCIAL DIALOGUE on ECONOMIC POLICY in Ghana

TUC's Proposals For Government of Ghana's 2013 Budget Statement & Economic Policies

Over the years the TUC has made every effort to ensure that its views on various national issues reflect in national policy, using the various means available. The TUC attaches importance to its inputs into the annual national budgets because it forms the basis for government expenditure on important socioeconomic sectors, including expenditure on workers' pay and conditions of service and social services such as health and education.

These inputs have been useful, in many respects, for government, on the one hand and for the people of Ghana including workers and their families, on the other hand. For example, it was through such policy inputs that the TUC impressed upon government to exempt minimum wage earners from the payment of personal income tax. The positive impact of such a policy on poverty reduction among low income earners is obvious.

However, there appears to be no genuine dialogue with stakeholders, including unions and employers, on economic policy. The fundamental ethos of economic policy has not changed in the past three decades, despite resistance to



Governments, over the years, have continued to implement inflation-targeting as a core macro-economic policy in the name of stability. We have, on various occasions, criticized the inflation-targeting policy because that policy framework treats job creation as a residual outcome of macroeconomic policy.

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The TUC holds the view that the number one policy challenge has to do with employment creation. That is why in all our submissions, we propose to government to genuinely involve the key social partners in employment policy-making and implementation.



On our part, we have expressed our desire and readiness to work with all stakeholders towards creating jobs for the hundreds of thousands of young people who are ready to enter the labour market. It is only through a genuine social partnership and social dialogue that we can deal with the employment challenge.

As in previous submissions, this proposal focuses on employment. The proposal also covers other key economic policy areas which have direct and indirect impacts on employment creation.

ECONOMIC POLICY

The Ghana Shared Growth and Development Agenda (GSGDA), which is, the government's economic blueprint for the medium term emphasizes “structural transformation of the Ghanaian economy, based in part, on industrialization, modernized agriculture and natural resource development”.

The 2012 budget marked the fourth year of “Macroeconomic Stabilization and Fiscal Consolidation” under the

Government of the National Democratic Congress since it assumed power in 2009. The focus of the budget, as captured in paragraph 137 (p.40), was to maintain “inflation in single digit” while “making space for high-priority investments....”

In 2009, the policy thrust of NDC's first budget was, among

Three decades of macroeconomic stabilization has succeeded in a GDP growth of about 6 percent. But this growth has not changed the structure of the economy in any significant way. After almost three decades of consistent GDP growth, Ghana's export continues to be dominated by gold, cocoa beans and timber.

other things, to “work towards the attainment of single digit inflation”. Single digit inflation has been the overarching objective of economic policy in Ghana in the past several years. The TUC does not believe that structural transformation of our economy can be achieved when government's economic policy is stuck perpetually in a state of the so-called “Stabilization and Fiscal Consolidation”. Our position is informed by a number of reasons.

First, the past three decades of macroeconomic stabilization has succeeded in a GDP growth of about 6 percent. But this growth has not changed the structure of the economy in any significant way. After almost three decades of consistent GDP growth, Ghana's export continues to be dominated by gold, cocoa beans and timber.

Second, the policies that have been implemented, with the aim of achieving single-digit inflation, have hindered a potentially high economic growth which is a prerequisite for a significant rate of job creation and poverty reduction. The traditional trade-off between inflation, output growth and employment creation is well known.

Third, there is no empirical basis for the extreme policy obsession with single digit inflation especially when its negative effects on employment creation in Ghana are so obvious. We challenge government to explain to Ghanaians how the single-digit inflation policy has helped Ghana's employment policy objectives all these years.

Given the huge economic and social infrastructure deficit that confronts the country, single digit inflation can only be achieved at the expense of growth. Addressing the infrastructure constraints requires that government undertakes fiscal accommodation.

Achieving a reasonably low and stable rate of inflation is important for business planning and for other reasons. But that does not necessarily mean single-digit inflation. Addressing the infrastructure constraints is far more important to businesses than single-digit inflation. A reliable supply of electricity and access to credit are the other important factors hampering the growth of industry in the country. The fiscal consolidation policy has entailed artificially holding down government spending which has resulted in the accumulation of large arrears. Road arrears, for example, increased from GH¢221.8 million in 2010 to a projected GH¢311.8 million at the end of 2011.

Non-road arrears including arrears to the Ghana Education Trust Fund (GETfund) and the District Assemblies Common Fund (DACF) increased from GH¢409.9 million to GH¢1.1 billion. Such deliberate accumulation of arrears, just

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EMPLOYMENT

There are three important facts about employment in Ghana. The first one is the harmful impact of the policy of the so-called net employment freeze in the public sector. The second has to do with the inconsistency of our trade policy with national employment objectives. The third is the continued casualisation and informalisation of employment. The scale of the employment challenge is huge. Employment in the private sector may be the ultimate solution to the employment challenge.

However, in the present situation, the private sector is too weak to be expected to provide employment in their right quantities and quality. Government has to play a more direct role by continuing to offer employment in priority sectors of the economy. Ghana needs more teachers and health personnel particularly in the

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The TUC has, on countless occasions, urged government to intervene directly but strategically to ensure that the banks do not hold the rest of the country to ransom. We propose a cap on the spread between the lending and deposits rates at no more than five percentage points.

development initiative. Building strong private sector is necessary for long-term growth and employment. Leaving the domestic private sector in its present form to the vagaries of international competition hampers private sector growth and its ability to create decent jobs. Government has to support the private sector to enable it overcome the challenges it faces. Part of that support should be a review of the national trade policy which places our struggling domestic firms in unfair competition with matured and highly subsidized firms abroad.

A major problem that confronts the private sector is the exorbitant interest rates being charged by the banks. Despite the fact that inflation has declined considerably and the Bank of Ghana Prime Rate has also gone down, the banks continue to maintain high lending rates in excess of 25 percent. Private sector firms borrowing at this rate cannot be competitive when firms in China, the USA and in the EU are borrowing at very low rates.

At the same time, the banks in Ghana continue to maintain ridiculously low interest rates on deposits. The low deposit rates impede efforts to mobilise financial savings. That is why Ghanaians are increasingly shifting to non-financial assets such as land and buildings.

The TUC has, on countless occasions, urged government to intervene directly but strategically to ensure that the banks do not hold the rest of the country to ransom. We propose a cap on the spread between the lending and deposits rates at no more than five percentage points. We note government's own dissatisfaction with the

prevailing high interest rates regime.

It is obvious that the approach government has adopted in the past in its dealings with the banks has not worked, to say the least. The "business as usual" approach should change through genuine dialogue with other key stakeholders to address the high cost of borrowing. The banks continue to earn supernormal profits in Ghana due to the liberal atmosphere they are enjoying at the expense of the people of Ghana.

A direct intervention in the financial market to bring cost of borrowing down will have very positive effects on the economy in terms of employment creation. Such a measure will benefit the banks because more and more people will be employed and be able to save with them and to patronize their products.

TRADE POLICY

As noted above, Ghana's liberal trade policy is not consistent with our national employment policy objectives. We cannot create jobs in Ghana if we continue to allow all kinds of items to be imported into the country. Creating employment will require an economy that produces for both the domestic and international markets. Ghana's economy has, over the years, been reduced to a sellers' economy, selling what has been produced in foreign countries. We are, thus, supporting job creation in other countries.

This has been made possible by an ultra-outward and excessively liberal trade policy that basically penalizes domestic production and creates large economic rents



for importers. Why should government continue to pursue trade policies that hurt our economy and our ability to create jobs for Ghanaians?

The TUC once again urges government to review our trade policy and to ensure that trade supports domestic production. It has been argued that the World Trade Organisation (WTO) rules do not allow Ghana to pursue a non-liberal trade policy. Our analysis shows that, within the framework of the WTO, there is a lot that government can do to support domestic enterprises and to boost domestic production.

Indeed, the NDC stated in its manifesto for 2008 elections that *"Achieving growth means supporting Ghana's businesses and industries, not making excuses for our market position"* and that an NDC Government will demonstrate its commitment by using *"all means possible to get relief in international trade arrangements to protect domestic industry"*.

The international trading system – as constraining as it might appear – has enough safeguards for countries like Ghana to shield its fledgling industries from unsustainable competition. Government must use these safeguards to protect jobs in Ghana.

Ghana's average bound tariff (i.e., the maximum custom duties the country can charge on imports) is 97.2 percent. This compares with average applied tariff rate (i.e., the custom duties that Ghana currently charges on imports) of 17.4 percent, compared to Norway's average applied tariff rate is 43.2 percent

and Switzerland's 36.9 percent. These countries understand and appreciate how to use custom duties to reduce imports. Ghana has a policy space (i.e., unused tariff rate) of about 79.8 percent which can be used to reduce imports into the country by raising custom duties on such imports that are destroying domestic enterprises and still stay WTO-compliant.

NATURAL RESOURCE MANAGEMENT AND TAXATION

The TUC has drawn government's attention to how companies in the extractive industries, particularly mining companies, are swindling the country. It is time government overhauled the existing mining laws and reviewed the outdated stability clauses in agreements with the mining companies to safeguard our national interest. One of the ways to do this is to raise Ghana's Carried Interest in mining concessions. Another way is to end tax concessions to the mining companies. The TUC, acting on a resolution passed at the National Delegates' Conference of the Ghana Mineworkers Union (GMWU), has proposed that government

should impose a windfall tax on mining companies.

The TUC fully supports the bold initiatives that were announced by government regarding the imposition of 10 percent windfall profit tax and the increase in the corporate tax rate on mining companies. These are bold steps toward ensuring that the legacy of mining in the last one hundred and twenty years is reversed and that mining serves the interests of Ghana.

It is time government overhauled the existing mining laws and reviewed the outdated stability clauses in agreements with the mining companies to safeguard our national interest. One of the ways to do this is to raise Ghana's Carried Interest in mining concessions.





We regret to note that very little has been achieved, if anything at all, since these initiatives were announced. We are aware that the mining lobby machinery has been activated to scuttle the national efforts towards ensuring that Ghana gets its fair share of our own resources. We expect the Mahama Government to continue the laudable policies initiated by the Mills Government.

We also urge government not to buckle under pressure from the mining companies. The TUC and the Ghana Mineworkers Union (GMWU) stand ready to support government in the re-negotiation process. We believe that we have something to offer. We are also interested in how proceeds from the additional taxes imposed on mining companies are utilized.

PUBLIC SECTOR PAY



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pay to productivity is also welcome.

We, however, take a very serious exception to the way government officials are characterizing public sector pay in the media. The continued characterization of public sector pay as a windfall for undeserving public sector workers does not inspire confidence. The way public officials portray public sector pay in the media gives the impression that the state does not derive any service from the public service and that payment to them is an unnecessary drain on the national purse.

We believe that this is a deliberate effort on the part of government to whip up public sentiments against public sector workers. The TUC would like the public to understand that public sector workers are paid

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We, however, take a very serious exception to the way government officials are characterizing public sector pay in the media. The continued characterization of public sector

Teachers and health workers are sacrificing a lot in the remotest parts of this country providing invaluable social services for the social and economic development of Ghana. Civil servants and other public service workers have to cope with huge volumes of work.

We at the TUC have pledged our support for the on-going public sector pay reform agenda. We have demonstrated commitment to the process. We expect government to play its part by inspiring confidence in the process. Going about touting the percentage of total revenue that is spent on public sector pay will not solve any problem. It will only provide impetus for more agitations from workers.

Public service workers in Ghana are among the poorly-paid workers in the whole of Africa, even though Ghana is among the few middle-income countries on the continent. Public sector workers in Ghana deserve much better pay and improved conditions of service. We will continue to work with government to ensure that the working people of Ghana receive their fair share of national income because we believe that reasonable levels of pay is one of the ways to motivate workers to achieve higher productivity.

Starting from this year...

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FUEL PRICE SUBSIDY

In December 2011 government, working through the National Petroleum Authority (NPA), announced the withdrawal of subsidies on fuel products resulting in steep increases in the prices of petrol, diesel and LPG. We condemned the removal of the subsidies not because the TUC is against increases in the price of petroleum products. What we have been protesting against is the total removal of subsidies which leads to a hike in fuel prices with the rippling effects throughout the economy.

Subsidies on petroleum products have been an important component of petroleum pricing in Ghana all these years. All governments, including the present government, have found it necessary to subsidize petroleum products. This is because petroleum prices have spill-over effects on prices of a wide range of goods and services. Subsidies have, therefore, been an important tool by which government mitigates the effects of petroleum prices on the vast majority of Ghanaians who earn very low incomes or have no incomes at all. A significant number of Ghanaians are employed or are out of poverty because of such subsidies.

We should not take these positive social effects of fuel subsidies for granted. One of the immediate and direct effects of petroleum price increases of the magnitude we have been experiencing in Ghana is the increase in road transport fares which directly affects the poor who commute via trotro. Fuel price increases also have effects on food prices making it even

more difficult for the working people and Ghanaians generally to meet their basic needs.

In countries where governments do not subsidize petroleum products, there is an efficient and highly subsidized public transport system and other public services that directly benefit the poor. We do not have that in Ghana.

The conditions that necessitated the introduction of subsidies by previous Governments are still prevalent. There is, therefore, the overwhelming necessity for Government to continue to subsidize petroleum products.

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There are indications that government is preparing to increase fuel prices any time from now. We urge government to take into account the needs of the millions of Ghanaians living in poverty. We would like to serve notice that the magnitude of the fuel price adjustments will inform our demands for pay increase for the working people of Ghana. We need genuine consultations on fuel pricing in Ghana.

CONCLUSION

The TUC is making this submission with the expectation that government will consider our views in its economic policies in 2013 and beyond. Especially, the TUC expects a fundamental reform of the inflation-targeting policy, which we believe is hindering the ability of the economy to create decent jobs for Ghanaians. We also expect government to reform our over-liberalized trade policy to be consistent with our employment objectives.

We can never achieve our employment policy objectives with single digit inflation and the over-liberalized trade policies. We also believe strongly that government has a very important role to play in employment creation in partnership with the private sector.

It is our hope that, this time, government will create a platform for a genuine dialogue with all stakeholders on economic policy so that together, we can find lasting solutions to the hydra-headed challenges facing our country.

ENHANCING DECENT WORK AND APPLICATION OF LABOUR STANDARDS

at the Enterprise and National Levels

Outcome of Ten Debates among Labour Unions and Employers' Association
authored by Prince Asafu-Adjaye and Mary Akosua Torgbe

As an internationally recognized agenda, the Decent Work Agenda was initiated by the ILO in 1999 to address poor employment and working conditions in the World of Work. Decent work refers to opportunities for women and men to obtain decent and Productive Work in conditions of freedom, equity, security and human dignity. The Decent Work Agenda has four main pillars namely; Employment, Rights at work, Social protection and Social Dialogue and Tripartism.

In Ghana, provisions in both the 1992 Constitution and the Labour Law, Act 651 reflect the principles of the Decent Work Agenda. Institutions such as the Department of Labour, National Tripartite Committee and the National Labour Commission have also been established with mandate to promote acceptable employment standards in Ghana.



Prince Asafu-Adjaye



Mary Akosua Torgbe

standing, Decent Work deficits are not uncommon in most workplaces in Ghana. Abuse of workers' rights, including Freedom of Association and Collective Bargaining is common. Unemployment and low income continue to be key features of the Ghanaian labour market.

Social protection coverage, including mandatory social insurance coverage in Ghana continues to be low. The 2010 annual report of the Social Security and National

Other social protection schemes such as the Livelihood Empowerment Against Poverty (LEAP) and the National Health Insurance Scheme (NHIS) have

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limited coverage as well as operational challenges.

In addition, the labour market in Ghana is bedevilled with a dearth of adequate and current labour market statistics. This renders accurate measurement of the extent of decent work deficits in Ghana problematic. Hence addressing decent work deficits in Ghana requires among others, access to information on the decent work situation in Ghana.

As part of efforts to promote decent work in Ghana, the Trades Union Congress (Ghana) and the Ghana Employers' Association (GEA) in 2010 entered into an agreement with Wage Indicator Foundation of Netherlands to gather information on the situation of Decent Work in Ghana.

The TUC and GEA held ten fact finding debates among workers in various sectors across the Greater Accra Region. A total of 180 workers drawn from the Mining sector, Public service, the education sector and Health workers participated in the 10 decent work debates. Other workers who participated in the debates were down-stream petroleum workers, dock-workers, hospitality workers and informal economy workers such as domestic workers, hair dressers, head potters and petty deficits in Ghana problematic. Hence addressing decent work deficits in Ghana requires among others, access to information on the decent work situation in Ghana.

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Standards in the Informal Sector, Working hours and Trade Union rights. These issues are discussed in detail below.

ANNUAL LEAVE

In Ghana, Section 20 (1) of the Labour law stipulates that "*in any undertaking every worker is entitled to not less than 15 working days leave with full pay in any calendar year of continuous service*". The Law further stipulates that any agreement to relinquish the entitlement of annual leave or forgo such leave is void.

The above legal provisions on annual leave entitlement

notwithstanding, denial of the right to annual leave and forfeiture of annual leave was a recurring issue during the debates for both formal and informal economy workers. Violations to annual leave provisions manifest in two forms. While some workers reported that they are denied leave rights by their employers, others for various reasons forfeit their right to annual leave.

Among the informal economy operators (both employees and own account workers) who participated in the debates, annual leave was a luxury which they could not afford. This was

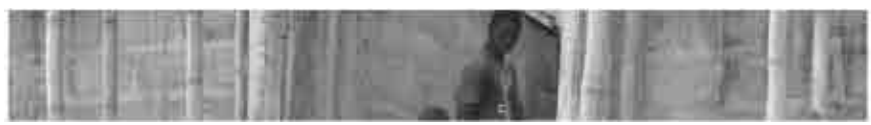


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because of the high opportunity cost of annual leave as a result of loss of income during the leave period. For some of the participants, annual leave was preserve of formal sector workers.

A petty trader who participated in the debate asserted that:

“As for us [informal economy] annual leave is not applicable. It is appropriate for government workers [formal sector workers]. If I go on leave who will feed my family. I cannot afford to go on leave. My leave is Sundays.”

Another participants had this to say *“For me I don't want to go on leave because at my workplace, I get to buy food at the corners at cheaper price*



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If I go on leave then I may have to use the public toilet which I don't want so I prefer to forfeit my leave.”

OCCUPATIONAL HEALTH AND SAFETY

The importance of occupational health and safety for workers and their families cannot be over-emphasized. Work cannot be decent if it is not safe.

Internationally, a number of ILO conventions have been adopted to promote health and safety at work. In Ghana, section 118 (1) of the labour provides that *“it is the duty of every employer to ensure that everybody employed by him or her works under satisfactory, safe and healthy conditions”*. Further the labour laws require employers to:

handling, storage and transport of articles and substances;

- Provide the necessary information, instructions, training and supervision having regard to the age, literacy level and other circumstances of the worker to ensure the health and safety of those other workers engaged in the particular work;
- Take steps to prevent contamination of the workplace by, and protect the workers from, toxic gases, noxious substances, vapours, dust, fumes, mists and other substances or materials likely to cause risk to safety or health;

I live alone in a rented apartment without a toilet facility. Therefore when I come to work, I use the office toilet. In this case how can I even go on leave. If I go on leave then I may have to use the public toilet which I don't want so I prefer to forfeit my leave.

circumstances of the worker to ensure the health and safety of those other workers engaged in the particular work;

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OCCUPATIONAL

- Provide separate, sufficient and suitable toilet and washing facilities and adequate facilities for storage;
- Provide an adequate supply of clean drinking water at the workplace; and
- Prevent accidents and injury to health arising out of or connected with work by minimizing the causes of hazards inherent in the working environment.

On the other hand workers are obliged by law to use the safety appliances, fire-fighting equipment and personal protective equipment provided by the employer in compliance with the employers' instruction.

In addition to the legal provisions, institutions have been established to protect workers and communities from safety, health and environmental hazards. These institutions include the Labour Department, the Occupational Unit of the Ministry of Health, Factory Inspectorate and Mine Department and the Environmental Protection Agency (EPA).

In spite of the legal and institutional framework for the promotion of health and safety at

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provisions are attributable to employers and workers non-compliance to health and safety standards.

Attitudes of some employers such as failing to provide the requisite personal protective equipment (PPE) or insisting that workers work in unsafe conditions compromise the health and safety of workers. The latter is a clear violation of provisions of the labour law which enjoins a worker to

Sometimes you see that where you are working is not safe. Even when you report it, they will tell you to go back and work. What can you do? There are no jobs in the country. If you refuse to go and work and they [employer] fire you, what will you do?

Another challenge faced by workers in terms of occupational health and safety is compensation and care in event of an industrial or workplace



compensation after providing medical care. A participant lamented that:

A colleague of mine lost one of his fingers. He was taken to hospital alright but up till now, it is almost one and half years, he has filled the forms and gone to the labour office but nothing has been paid to him.

For most of the informal economy workers who participated in the study, particularly the employees, they hardly receive medical care from their employers and neither are they able to seek any form of compensations. A domestic worker recounted her ordeal at the hands of an Indian employer as follows:

One morning while boiling water for breakfast, the hot water spilled on me and my breasts [pointing at her chest] got burnt. They [Indian employers] told me to go to hospital. When I returned and gave them the bill, they have not said anything about it. It is over six months now.



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The debates also identified worker attitude as an essential factor in promoting health and safety at the workplace. Refusal of workers to use supplied PPEs and follow safety standards emerged as an important factor which compromise health and safety at work.

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safety standards by workers is the discomfort of PPEs.

Among the own account informal economy workers who participated in the debates, work design and workload emerged as key elements which compromise health and safety. Lack of rest period and carrying of excessive load particularly among head potters threatens the health and safety of such workers.

WORKING HOURS

The legislated standard hours of work in Ghana is forty (40) hours a week or eight (8) hours a day. This includes rest periods. In addition, the law allows for voluntary overtime which must be paid for. However, the law also allows for compulsory overtime when such is necessary for an undertaking to be viable or in cases of emergency to avoid threat to life or property (see articles 33-35, Act 651, 2003).

The debates revealed the importance of overtime work and overtime pay in the compensation of workers as well as breaches of the legal provision of hours of work. Contrary to the above legal provision on working hours and overtime, some of the participants reported working for longer than the allowable extra hours as well as compulsory overtime although the nature of their work cannot. Lack of rest period and carrying of excessive load particularly among head potters threatens the health and safety of such workers.

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victimized makes them work more hours than necessary while for others, it is financial consideration. A dock worker recounted that:

In this work, the more you carry, the more [money] you get. You cannot say that you have done 8 hours so you are going home. If you do that, you will not get anything.

The debates revealed that some employers pay a flat overtime rate. This means that all workers earning such rates are compelled to do overtime.

TRADE UNION RIGHTS

The right of every worker to form or join a trade union of his or her choice is enshrined in the laws of Ghana. Article 21 (e) of the 1992 Constitution guarantees *“freedom of association, which shall include forming or joining trade unions or other associations, national and international, for the protection of their interest.”*

Article 24 (3) of the National Constitution as well as Article 79 (1) of the Labour Act (Act 651,2003) state that “every worker has a right to form or join a trade union of his choice for the promotion and protection of his/her economic and social interests”. Section 80 of the Labour Act adds that *“two or have done 8 hours so you are going home. If you do that, you will not get anything.”*

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The above legal provisions notwithstanding trade union density

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in Ghana is low. In 2005/06 just about 38 percent of Ghana's workforce reported that they have trade unions at their workplaces. Some of the participants of the debate indicated that there are no trade unions at their workplaces.

Among the participants who indicated that there were no unions at their workplaces, anti-union strategies and fear of victimization emerged as the obstacles preventing them from exercising their right to organize. A participant summed up their frustration in the following words:

“I remember some few years

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INCREASING CASUALIZATION OF EMPLOYMENT

Consistent economic growth in Ghana over the last three decades has failed to translate into creation of decent employment in the required quantities. Ironically, the economic growth has occurred with increasing informalization and casualization of employment. Participants of the debates bemoaned casualization of employment and abuse of rights of casual workers.

The concerns of the participants are summed by one of the participants as follows:

At my workplace I have been casual for more than three years. They [the management] discriminate against me the casual workers. We do the same work as permanent workers but we are treated differently. Our conditions are far lower than that of the permanent workers.

The above situation of casual workers, especially those who have worked at the same undertaking for more than six months is a breach of Ghana's labour laws (see Act 651 sections 74-78).

NON-COMPLIANCE OF LABOUR STANDARDS IN THE INFORMAL SECTOR

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Despite its employment contribution, the informal economy in Ghana is characterized by significant decent work deficits. The following were the key decent work deficits highlighted by the informal economy operators who participated in the debates:

- Earning below the national minimum wage. Most of these workers had no knowledge about the minimum wage.
- Enterprise owners have verbal agreements with employees with or without the presence of witnesses.
- Non-payment of entitlement when an employee's employment is terminated,
- Physical and verbal abuse by some enterprise owners.
- No annual and sick leave with pay.

- No maternity leave, most of the female participants bemoan losing their jobs when pregnant because employers believe their services may no longer be needed.
- Exposure to environmental hazards

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hazards

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- Limited social security coverage.

CONCLUSION

This report summarizes the main findings from ten debates organized for 180 workers drawn from various sectors of the economy.

Six issues namely; Annual Leave, Occupational Health and

Safety and Casualization of Employment, Non-Compliance of Labour Standards in the Informal Sector, Working hours and Trade union rights emerged during the debates.

Non-compliances to employment standards as well as abuse of workers' right can be attributed to the actions and inactions of both employers

and workers. For the participants, limited knowledge about their rights and concern for job security explained the decent work deficits they suffer.

In addition, ineffectiveness of state institutions mandated to promote and enforce employment standards in Ghana also explain the decent work deficits suffered. Addressing the decent work deficits in Ghana therefore requires a holistic approach involving all social partners.

RECOMMENDATIONS

The following recommendations are drawn from the findings of the debate:

- Trade Unions, Employers' Association and Government must intensify education of the rights and responsibility of workers and employers
- The Ghana Employers' Association must intensify education on employment standard for their members and encourage them to comply
- The government must support and adequately resource institutions mandated to promote and enforce labour standards to promote and enforce employment standards in Ghana also explain the decent work deficits suffered. Addressing the decent work deficits in Ghana therefore requires a holistic approach involving all social partners.

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PRESS STATEMENT on Fuel Price Increases

Once again, Ghanaian workers and their families are being forced to endure more economic hardship with increases in the prices of petroleum products ranging from 15 to 50 percent, as announced by the National Petroleum Authority (NPA). Government has explained that the increases reflect a partial removal of subsidies.

In December 2011, similar increases were announced by the NPA which generated a national debate on petroleum pricing. The subsidies on some of the petroleum products were partially restored after TUC threatened a mass action.

Government agreed to undertake marginal upward adjustment of petroleum prices regularly to avoid the huge one-off increases and their negative effects on workers and their families. But Government refused to undertake the necessary reviews in the whole of 2012, for obvious political reasons.

In the week prior to the announcement of the recent increases in petroleum prices, we witnessed an orchestrated discussion of petroleum pricing in Ghana with the aim of sensitizing the public. Public officials did everything



Addressing important national economic issues as if they are emergency issues is not a new practice. We have witnessed it time and again after national elections. We see this practice as a deliberate way of passing on the effects of policy failures onto the people of Ghana.

they could in the electronic and print media to draw attention to the fact that the subsidies had become “unsustainable”.

Suddenly, fuel subsidy became an emergency issue that needed to be dealt with urgently to save

the economy from eminent collapse. Public officials cited the Single Spine Pay Policy as the main reason why government cannot continue to subsidize petroleum products.

Addressing important national economic issues as if they are emergency issues is not a new practice. We have witnessed it time and again after national elections. We see this practice as a deliberate way of passing on the effects of policy failures onto the people of Ghana.

We would like to place on record that contrary to what government and its functionaries would have Ghanaians believe, Organised Labour was never consulted on the current petroleum price increases. As the public is already aware, leaders of Organised Labour paid a

courtesy call on the President on Friday, 15 February, 2013.

At this meeting, the President informed the labour leaders of Government's intention to increase fuel prices, among other important national issues. We do not consider this to be consultations. We have assured government of our readiness to dialogue over issues of national importance.

But we take a very serious view of a situation where government gives the impression that it has consulted Organised Labour when, in fact, no such consultation has taken place. Consultations on such important national issues must be genuine.

We recall that, prior to the meeting with the President an invitation from the Ministry of Energy and Petroleum to the TUC to discuss the matter of petroleum pricing was canceled by the Ministry the very

We wish to re-state that fuel subsidy is one of the means by which workers and their families can be cushioned from the harsh economic realities facing millions of households in the country. The conditions that necessitated the introduction of subsidies are still valid.

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necessitated the introduction of subsidies are still valid.

Therefore, we condemn any attempt to remove the subsidies from petroleum products. In the face of the current harsh economic realities, the removal of subsidies on petroleum products smacks of insensitivity on the part of government to the plight of the ordinary Ghanaian.

In the last few weeks, doubts have been raised about whether or not there is subsidy on fuel products. That is not the focus of this press statement.

However, the debate about whether there are subsidies or no subsidy raises two important issues regarding petroleum pricing and the petroleum industry as a whole. The first issue has to do with taxes on petroleum products which have become an important source of government revenue.

We have, in the past, drawn attention to the regressive nature of petroleum taxes and called on government to consider removing taxes on petroleum products. We believe that petroleum taxes have higher negative impacts on the poor than on the non-poor. We challenge government to show otherwise.

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Petroleum Products Price Build-Up contains as many as six (6) different margins designed to benefit a few owners of marketing companies and other players in the industry. The relevance of some of these players is difficult to tell.

We have every reason to suspect that the lack of transparency in the petroleum industry is deliberately designed to facilitate corrupt practices of the few people in society who are well connected. We believe that some transparency in the petroleum sector will lighten the burden on Ghanaians and it should be considered as part of the measures to deal with the chaotic situation in which the petroleum industry finds itself.

The attempt to denigrate the Tema Oil Refinery (TOR) is a manifestation of the corruption that has engulfed the petroleum industry. Why should Ghana stop domestic refinery and import refined products now that we are producing oil in the country? We are certainly on the road to repeating the mistakes of other countries on the continent.

Already, officialdom is beginning to push the idea that TOR – an important national asset – is grossly inefficient and must be privatized. As it is, TOR is suffering the fate that has befallen all important state assets – run it down in preparation for privatization. We will vehemently resist any attempt to privatize TOR because such a move will not be



in the interest of the majority of Ghanaians.

As part of the official propaganda, petroleum subsidy has been linked to public sector pay. Government officials have been busy touting various figures as representing the proportion of total revenue that goes into public sector pay. The impression is being created that public sector pay is a windfall for undeserving public sector workers and that the country derives no service or value from public service workers.

We strongly condemn the attempt by public officials to blame public sector workers for policy failures. We were all witnesses to the changes in government spending particularly in the months leading up to the 2012 general elections.

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The notion that public sector pay is consuming about two-thirds of national revenues and has become an albatross on the neck of government has been pushed to levels where the TUC can no longer keep mute over it.

The TUC believes that about half of the over GH¢9 billion that is said to be spent on public sector pay is actually being spent on the emoluments including arrears and pecks of political office holders.

We are challenging government to disclose the amount spent on public service workers and the share going to political office holders. Public service workers deserve recognition by

government and not blame and insults from government officials.

In view of the hardships imposed on workers and their families as a result of the petroleum price increases, we are by this statement serving notice that our demands for pay increases in 2013 in both the public and private sectors will be informed by the high cost of living government has imposed on workers with the increases in petroleum prices.

We have already written to the Minister of Employment and Labour Relations to, as a matter of urgency, reconvene the National Tripartite Committee

meeting to determine a new national daily minimum wage for 2013.

The negotiation of the Base Pay and Relativity on the Single Spine Salary Structure will commence immediately after the national daily minimum wage for 2013 has been determined.

The recent increases in the emoluments for the President, his ministers, members of parliament and all political office holders under Article 71 will also serve as a good guide for pay negotiations in 2013. What is good for the goose is equally good for the gander!