

Labour Legislations and Quality of Worklife: A Neglected HRM Function in Nepal

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Objective of this paper:

Examine the role of State
to enhance Quality of
Work life (QWL)

Concept of QWL

- After 1950 many of the industrialized countries facing problems of security and equity of the labor force have been partially or fully resolved with considerable protection by the law and due to powerful unions that offered excellent protection to the working people (Westly, 1976).

- With the development of concept of QWL, the notion of 'labor as commodity' has been challenged with the emphasis given to the humanization of work and enhancement of workers' participation to make jobs more interesting, challenging and motivating (Bolweg, 1976).

QWL represents perceptions and attitudes of the workforces that they are:

- Safe and secured at the work place
- relatively well satisfied and able to grow and develop as human beings
- believed that it enhances their dignity through job satisfaction, humanizing work, assigning meaningful jobs,

- adequately paid and benefited jobs,
- working at safe and healthy working conditions,
- having opportunities to develop human capacity, social integration, freedom to self-expression,
- ready to increase individual productivity and finally achieve overall organizational effectiveness.

Positive Outcomes of QWL

- The positive outcomes of QWL initiatives are uniting management and organised labour, quality products, services, and relationships across functions and levels and between customers and producers. It helps to minimise cost, control quality, increase profits and satisfy employees' most important needs.

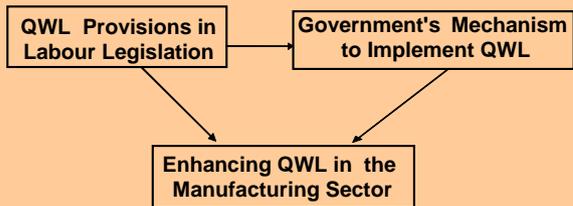
Negative Outcomes of not having QWL

- The negative outcome of QWL affects directly on workers' physical and psychological problems, absenteeism, higher turnover, poor workers' relations, loss of human potentiality at work and low level of trust between employees and management.

Who is Responsible for Improving QWL

- So far as responsibility of improving QWL is concerned, it is jointly shared by employees, management, union leaders, government and behaviour scientists.
- The role of government and its institutions is most vital in protecting rights and interests even at the time of deregulation.

Figure: 1 Framework of the Paper



Role of the State to Improve QWL

- In a country like Nepal, although initiatives for deregulation are undergoing, in the lack of development of private sector's institutions the State still has to play a key role to protect rights and interests of the workers working in different industries.

The State has to play a dual role in implementing the IR system.

- First, it has to play regulatory role to ensure that IR activities are in operation smoothly in organizations.
- Second, since the government is still the biggest 'employer' in the economy as it employs and manages a large number of employees in the state enterprises it has to sit in the negotiation table in order to reach an agreement in the collective bargaining process.

Provisions in the Labour Act

- Job classification
- Recruitment procedures
- Employment of foreign workers
- Termination of service
- Impact of change in ownership
- Refreshment and rest
- Health and safety
- Compensation against serious hurts or injuries or death in course of work.

QWL Enforcement Mechanism

- Safety Standards
- Punishment Measures
- Minimum Wage Fixation Committee
- Appointment of Factory Inspector
- Labor Relations Committee
- Welfare Officer
- Appellate Court
- Labor Court

QWL in Practice

- Jobs were not properly classified and graded in more than 90% of the manufacturing firms as per the norms of the Act.
- A large number of factories (almost 61%) were not providing appointment letter.

- 77% of the organisations have not reappointed as permanent event after completing 240 days.
- 86% organisations had no system of advertisement for recruitment.
- 36% enterprises have no fixed working hours.
- Only 42% of enterprises had implemented minimum wage system as fixed by the Minimum Remuneration Fixation Committee.

- Since many factories were established in existing building and facilities, layouts are not hygienic.
- Leaves were not provided as stated in the Act.
- Only 13% organisations had provisions for life insurance and 22% have provision for accidental insurance.
- Only 7% of the organisations were having Labour Relations Committee.

Contd...

- Although 41% enterprises employed guest workers only 3% of these employed on the basis of work permit.

Child Labour (Prohibition and Regulation) Act

- Restriction for employing child labour
- Approval to be taken for the employment of child labour.
- Certificate of fitness
- Health and safety measures

QWL Enforcement Mechanism

- Time-to-time inspection and direction from the Labour Office and HMG
- Child Labour Prevention Committee
- Labour office approvals
- Deputation of child labour Inspector and action
- Punishment measures

Contd...

- Child Labour Prevention Committee and Fund.
- Government can give direction time-to-time.

QWL in Practice

- Over 26000 children aged 5 to 14 were engaged only in manufacturing industries.
- As many as 59000 children were working in brick factories. Of these children 76 % were aged between 12 and 16 and 24 % were aged between 6 and 12.

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- 85% Child workers working in brick factories were suffering from respiratory problems, tuberculosis, muscle pain, joint pain, cough, fever, backache joint pain, and visual defect.

In a recent study conducted in 26 districts of Nepal there are 36 workers in each of the 4012 mechanical works.

Total number of child labour in mechanical sector is 18000. Of which 24 percent are of 13-15 years.

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- 72 percent of them are at rise situation.
 - 45 percent of them do not know about a fixed monthly salary.
 - 53 percent of them help their families from their income.

Trade Union Act

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- Formation of enterprise-based unions
 - Duty relating to collective bargaining
 - Presentation of claim

Contd...

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- Appointment and functions of Registrar
 - Special power of HMG

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- 60% of enterprises created problems in the formation of unions and 35% of these were punishing or harassing union activists.
 - 29 percent of organizations were still not unionized, 10 percent enterprises 'don't know' whether they are unionized or not.

Conclusions

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- From the above information it appears that the government, although it has enacted different acts in the past, not been very successful for their enforcement at the enterprise level. Concerns are centering on how government institutions can ensure rights of working people in this situation.

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- Although, in the absence of hard fact, it is difficult to establish a perfect link between current state of QWL and performance of manufacturing sector, findings of previous studies, undertaken in the West, provide sufficient evidences that there are negative behavioral and organizational outcomes of poor QWL situation.

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- National policies are geared towards the liberalization and deregulation. However, experience shows that it is difficult for the State to give up all of its responsibility in the name of liberalization and deregulation.

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- In a country like Nepal where the QWL situation of workers is deteriorating and performance of industries is not being satisfactory in terms of capacity utilization and return on investment, government should be more vigilant to protect rights and of workers interests.

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- Two major challenges in front of the government are: a) to incorporate few more provisions in the prevailing acts in order to enhance employee relations, develop skill and improve efficiency and productivity; and b) to enforce current labor legislation with some strict measures for the benefit of both labor and management.

- Thank You Very Much