



5<sup>th</sup> National Congress  
*unity* *एकता*  
for transformation  
रुपावर्णनाका लागि  
April 4-7, 2009, Kathmandu  
पौखी राष्ट्रिय महाविशाल  
चैत ००-०५, २०६५, काठमाडौं

# Unity for Transformation


Direction of Nepali Trade Union Movement

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Direction of Nepali Trade Union Movement

## **GEFONT Policy Document**

Adopted by Fifth National Congress  
April 4-7, 2009; Kathmandu



*Published by*  
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Nepalese Trade Unions (GEFONT)**

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*Acknowledgement for publication support*

3F-United Federation of Danish Workers

*Lay-out & Cover*

**M'sMouse**  
Putalisadak, Kathmandu

Price: Rs 150.00

ISBN: 978-9937-8069-5-4

GEFONT Book No.: 109/2009

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### **Acronym**

ANFTU	: All Nepal Federation of Trade Union
ANTUC	: All Nepal Trade Union Congress
CoNEP	: Confederation of Nepalese Professionals
CWWD	: Central Women Workers Department of GEFONT
DECONT	: Democratic Confederation of Nepalese Trade Unions
GEFONT	: General Federation of Nepalese Trade Unions
ICFTU	: International Confederation of Free Trade Unions
ILO	: International Labour Organisation
ITUC	: International Trade Union Confederation
ITUC-AP	: International Trade Union Confederation-Asia Pacific region
JTUCC	: Joint Trade Union Coordination Centre
Maoist	: Communist Party of Nepal (Maoist)
NGO	: Non-Governmental Organisations
NTUC	: Nepal Trade Union Congress
SPA	: Seven-Party Alliance, which includes- Nepali Congress, Communist Party of Nepal (UML), Nepali Congress (Democratic), Nepal Mazdoor Kisan Party, Janamorcha Nepal, Nepal Sadbhawana Party and United Left Front
UK	: United Kingdom
UML	: Communist Party of Nepal (Unified Marxists-Leninists)
USA	: United States of America
WCL	: World Confederation of Labour
WFTU	: World Federation of Trade Unions

### **Affiliates of JTUCC**

ANTUF	: All Nepal Trade Union Federation
CoNEP	: Confederation of Nepalese Professionals
FENEPT	: Federation of Nepalese Progressive Trade Union
GEFONT	: General Federation of Nepalese Trade Unions
NDECONT	: National Democratic Confederation of Nepalese Trade Unions
NTUC-I	: Nepal Trade Union Congress- Independent
NTUF	: Nepal Trade Union Federation

## **We are in the midst of transformation of Nepali society**

In 2009, our journey as GEFONT will cross two decades. We have come this far facing numerous ups and downs and fighting oppression of the absolute monarchy. I would like to remember all those who have played a crucial role in establishing and leading GEFONT to this point, and highly acknowledge their contribution.

In this period, two people's movements were launched for the restoration of democracy. In each, we were able to make some sacrifices, to offer our blood and sweat. Such auspicious moments rarely occur in history. In this sense, we should be proud of ourselves.

We leave it to history to explain what we did and how much to conscientize the working class and mobilize them for transformation of the state and society. Let us only make this small claim - in low or no presence of the working class, the changes we have had now would not have been possible.

We might have made numerous mistakes. There might be a number of things we could have done differently. Yet, we have invested more time and energy than anyone else to bring the labour movement out of chaos, organize it and link it to the norms of modern industrial relations. In the last one-and-a-half-decade, we left no stone unturned to promote investment-employment and the rights and welfare of the workers. Nor did we bow to any pressure against the interest of the workers. Throughout the last two decades, our leadership remained firm, undivided and intact. Both as an organizer and Chairperson, Comrade Mukunda Neupane consistently led the GEFONT movement. Thank you Comrade Neupane for your decisive and firm leadership!

Throughout this period, you have provided the summit of leadership of Comrade Man Mohan Adhikari that was seen during the 1947 labour movement, selfless, flawless, and disciplined leadership. On behalf of the newly elected committee, I assure you that this unique tradition of history will be maintained, further popularized and exploited for the rights and welfare of the Nepali working class.

Comrades,

For some, congresses, elections, leadership change and handover become an issue of 'loss' and 'gain'. For others, they also become an issue of prestige and revenge. For us, however, these are normal and inevitable events and processes. Our formula of operating an organisational life involves a triangular policy, in which we collect organisational strength from the activism and aspirations of youths, we assign leadership to those who have been tested, and we follow advice and guardianship from the senior members. It is this formula that forestalled confusions and divisions amongst us while political parties were caught in extreme internal conflicts.

Colleagues,

To accept leadership is not to swim and relax in the pond of achievements of the past. It is however to unpack the problems entangling the world of work and tackle them, and rise to challenges that lie ahead. Of the major challenges facing us are inadequate legislation, non-enforcement of existing laws, livelihood insecurity, and workers being forced to bear the brunt of the rise in the cost of production. Another challenge to be tackled is us, within we trade unions, and it is the mix of hypocrisy and dilemma. We are fighting, sometimes unhealthily,

for our presence and existence in the labour sector that is relatively easy and employment-secure. But we are silent about the workers in other sectors of labour. Similarly, we have the tendency of displaying radicalism when our actions are marred by inconsistencies and anarchies.

We are informed of a number of allegations made against us. An allegation likens us to those “development” organizations that are engaged in making money while being insensitive to the class struggle. Another allegation links us to a party’s sister organization that does not care about rights and welfares of the workers, and does politics only for the sake of politics. These are heavy allegations, and our leadership is committed to tackling them. On behalf of the new committee, I would like to commit that all the tasks that have remained pending for whatever reasons will be completed under the leadership of this committee.

I, on behalf of the committee, commit to the following.

Where there are workers, there is GEFONT. GEFONT will organize all workers engaged in all sectors of investment, irrespective of whether they are daily-waged or permanent, and whether they are in organized or unorganized, or formal or informal sectors. GEFONT will reach majority of villages and cities in all districts, and will leave no space for others to question its commitment to the movement for justice and equality.

GEFONT will search for an alternative to highly bureaucratic and status-quo promoting enterprise unionism. It will do all it should to give justice, through collective bargaining, to the workers where they work, whether in umbrella organisations of capital investors or at the level of commodity-based industrial



organization. It will adopt a different method of “class struggle”. It will particularly be different from the method of submission (to ‘donors’ to benefit a handful of people) as well as the one of anarchic and inhuman treatment.

We are in the midst of transformation of Nepali society. An important task towards the transformation is the restructuring of the state through a new constitution. Our expectation of a restructured state is one which opens up options and opportunities for the workers to live a “dignified, creative and prosperous” life. The new restructured state will, we expect, break with the existing trend in which might makes right and those voiceless are condemned to oppression. We are not envious of the rich people. We wish them to go richer. All we want from them is the compulsory use of their riches for social transformation. We want to build a society in which the poor and marginalized take a step upward towards prosperity the state invests transparently the money received from the rich for the benefit of low- and/or no-income people and the gap between the rich and the poor narrows. We do not want to see a state or a system in which, in any name and pretext whatsoever, those who invest in labour are deprived and denied and those who invest in money or physical capital continue to rule and reap all benefits. We do not want a society that discriminates on grounds of bodily differences determined genetically, between male and female, for example.

Our Confederation will adopt the policy of “initiation-competition and excelling” to interaction with all forces in our society. We believe this to be an appropriate policy to find unity in diversity in a plural and diverse social setting like ours. Based on this policy, we will pursue our unity campaign with Confederations associated with the Joint Trade Union Coordination Centre. This is the policy that will influence our interaction with the state, political parties and the

government. The slogan of “unity for transformation” that has been adopted by our Congress also builds on this policy position.

I would once again reiterate our commitment – GEFONT will always stand in the front line of social transformation and will do all it can and should to materialize it.

Thank you all guests and colleagues for accepting our invitation and participating in this event.

- Let’s take care of one another
- Let’s love one another
- Let’s respect each other’s points of view
- Let’s build a strong organization of the workers

Thank you!

**Bishnu Rimal**

President

April 30, 2009, Kathmandu

(Inaugural Speech delivered by the President at leadership handover Ceremony)



## PART ONE

## Political Scenario after the Fourth Congress

The *Jana Andolan* (people's movement) of 2006 led to a qualitative transformation of our political scenario. It ended the 1600-year old institution of monarchy and the 240 year-old ruling monarchy of the Shah dynasty. People have become sovereign and the sources of power. Nepali state has transformed from a Hindu state to a secular one, and unitary form of politics has given way to federal one. Above all, Nepal has become the first republican state of a federal model of the 21<sup>st</sup> century with the federal democratic republic of Nepal.

With this wave of change, the conclusion drawn by the fourth congress of our Confederation has proved true. Our conclusion was: "Existing political balance maintained by three political forces cannot remain as it is. Either one of the forces should be eliminated or two of them should merge or polarise so that the tri-polar power balance become bi-polar." Only then can a conclusion be drawn in terms of whether Nepali society will head towards transformation or regression. The following points can be made as a collective way out to the present crisis:

- State structures should undergo an overhaul, the country cannot move ahead in the condition as it is now
- The basis of the overhaul of state structures and forward looking changes should be the outcomes of the 1990 people's movement
- All efforts aimed at consolidation of democracy and resolution of social/political contradictions should be synchronised
- In relation to forward looking outlet to the present crisis, there should be a 'common package' of programmes amongst the rebels, the government and the mainstream political parties. They should first address their procedural disagreements and differences.



Various decisions taken after the establishment of Loktantra were declarations of a common consensus aimed at social transformation



Establishment of *Loktantra*, the proposal for state restructuring, Constituent Assembly election in an inclusively proportional way and the declaration on May 18, 2009, the ceasefire understanding of May 26, 2009, and the May 30, 2009; declaration about the rights of women, the understanding between the then Seven-Party Alliance (SPA) and the Maoists, the Comprehensive Peace Agreement of November 21, 2006 between the Maoists and government, the Citizenship Act enacted on November 25, 2009, the Interim Constitution issued in January 15, 2007 and the January 31, 2007 address to the nation by prime minister were all the “package of consensus”.

### **A uniquely peaceful movement of the 21<sup>st</sup> century that led to unprecedented achievements, a movement of which we were also part of**

The establishment of *Loktantra* created a wave of awareness like that of the French Revolution in Europe. This movement remained different from the many movements of the 20<sup>th</sup> century.

- i. The movement of 1980 was basically led by the students with a dual aim of ending the Panchayat system and establishment of democracy, and was basically centred around colleges and city centres. A decade later, the 1990 people’s movement was launched pursuing the same goals as those of the 1980s. Led by left and none-left parties who were against Panchayat autocracy, the movement expanded to almost all the cities in the country and reached almost all aware and educated communities. The April movement of 2006 mobilised a wide cross section of the population, including labour movements and civil society organisations.



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Our analysis of political scenarios forecast by the Fourth National Congress has proved to be true in the test of time.



- ii. Civil society organisations created popular opinion in favour of the movement through out the country, while the trade union organisations provided decisive leadership to it.
- iii. There was not a single village or a community that remained untouched of the influence of the movement. The movement continued for 19 days despite day-long, and even longer, curfews, and broke the world record of peaceful movement. As one of the important achievements of the movement, it brought to the fore, and established the agenda of 'equality' and 'identity'.

### **Trade union movement and the analysis on scenarios forecast of Nepali politics**

The Fourth Congress, on analysis of the political scenario, forecasted three possibilities the future of trade union movement had to face. These were: the state of *status quo*, *forward looking transformation* and *extreme national crisis*. In the Scenario-II of our analysis, the following challenges were envisioned.

- GEFONT may have to compete with various forces and division may appear amongst traditional friendly forces
- A new militant force may emerge as a new competitor. Consequently, industrial relations may come under the undue influence of 'power' instead of 'rules' and 'regulation'.
- GEFONT may be forced into a state in which it has to accumulate power through scattered labour disputes instead of expanding as a comprehensive movement.

“  
Working among numerous opportunities, some  
milestone achievements in the world of work  
are of long-term importance  
”

With this scenario may also emerge numerous opportunities:

- Rise of new hopes and aspirations amongst the working class people
- Trade union movements, including GEFONT, may unite into a broad-based new structure. Democratic forces may be nationally mobilised to check the expansion of illiberal forces in the trade union movement.
- GEFONT will be fully in action to promote social justice and get the concept of welfare state implemented to achieve its goal. The value of trade union movement will further expand in the communities.
- All social partners and co-workers will have a national consensus on a new economic order and agenda of social transformation. Trade union movement will be established as an inevitable and socially recognised institution.
- It will bolster full solidarity of international trade union movement.

### **Decisions of long-term importance in the world of work**

This analysis of ours has proved to be true. The parliament's decision of May 11, 006, granting civil servants the right to organisation, the dissolution of the royal ordinance amending the trade union act, joint declaration by three trade union confederation and Maoist union of December 2, 2006 ; and the constitutional guarantee as fundamental rights of freedom of association, right to collective bargaining, right to social security and employment, and right against intolerable labour practices are some of the major achievements that are of long-term importance. Yet another milestone achievement in this respect is the formation of the "Labour and Industrial Relations Committee" by the Interim Legislature Parliament.




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Election to an inclusive Constituent Assembly, with one-third participation of women, has been a milestone achievement in South Asia

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In the history of Nepal, we have now an elected 601-member Constituent Assembly with one-third representation of women. Such an inclusive parliament is first of its kind in South Asia. Now, Nepal has, by way of developing a new constitution, entered a unique – yet complex – process of state restructuring. The nation is waiting for the logical conclusion of the peace process that follows a decade long violent conflict and rebellion. For the peace process to logically conclude, Nepal should find amicable solution to the question of army reintegration, implement scientific land reform, provide educational, health, housing and food guarantees to the people, ensure employment guarantee, reintegrate those displaced, and constitute commissions on truth and reconciliation and disappearance in order to fight the culture of impunity.

The period of political transition is getting lengthened. And, this is creating chaos in the entire society and labour sector. Taking advantage of the period of transition, numerous groups have been given trade union recognition in such a way that it has reduced the political value of trade unionism, and devalued the process of social dialogue. A more challenging task ahead is to promulgate a new constitution for which Nepali people have only one and a half years time.

### **Trade union and social transformation**

In a classical term, social transformation compares with ‘revolution’. Revolution deconstructs existing structure, and triggers structural transformation towards positive direction. The English word ‘transformation’ suggests changes not only in ‘structure’ but also in ‘substance’. Its Nepali equivalent is used in the same sense. Now, Nepali society is in the transition from an old social system to a new one, set for social transformation.





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Social transformation is the end of discrimination prevailing in the access and distribution of resources, power and opportunity



Social transformation refers to the process of identification of the root of a problem and its structural complexity. It involves the change in the vision and mission of existing institutions, and also in the power equilibrium of political, economic and social-cultural institutions. It also involves the raising of the level of awareness, and the level of economic, social and cultural development. Social transformation also calls for the end of existing discrimination amongst the people in the access and distribution of “resources (income and property), power and opportunity”.

### **Understanding Trade Union**

Various opinions abound as to what trade union is. Karl Marx defines it as “as the ramparts for workers in their struggle for social revolution against employers.” Engels defines it as the “a military school for class war.” Following Marx, trade union is a stage in the period of transition, where the unionists defend their wages as the matter of priority. Then, through “class struggle”, it creates the awareness of class unity, while transforming them from a class ‘in itself’ to a class ‘for itself’. In a common parlance, trade union is a workers’ organisation established “*by the workers, for the workers, of the workers*”. It is also an economic, political and social organisation in the liberation movement of the working class.

The concept of trade union developed with the start of the industrial revolution, when a large number of people gave up their agricultural occupation and started working for employers in a poor and low wage condition.

The labour movement was born to tackle the “extreme inequality between powerful employers and powerless workers.” For many years in many countries trade unions were labelled illegal. Many trade union workers endured torture,



Trade unions are not the Guild of Middle Ages



imprisonment and even death sentence. Despite all these difficulties, trade union movement developed, and got political recognition. Gradually, it started influencing the enactment of labour legislation and establishment of trade unions as legal institutions. Then, it developed the framework of “labour relations” through which to bridge between the employers and the workers.

Now, trade unions have the right to earn property and manage the sources of property in the same manner as the company of the employers. Their status is elevated to that of a professional organisation and has earned recognition as that of a social partner. In the civilised world of the day, any attempt at limiting the trade union movement amounts to a grave human rights violation.

Some see trade unions as the heir of the guild of the Middle Ages. Guild was a group of the skilled self-employed, who had the ownership and control over the means of production and the property earned. The guild was thus an association of small entrepreneurs. Unlike the guild, the union is the organisation of the workers employed by the employers. These workers have the ownership and control only over their labour, not over the means of production (factory and tools, in this case). During the Industrial Revolution, trade unions basically organised factory workers. In subsequent years, the union movement has widened its scope. Currently, trade unions also organise unskilled workers, including poor agricultural workers and bonded labourers who have even lost control over their labour.

Civil society organisations organise people in a locus that lies between state and family. Such organisations do not form part of ‘market’.



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Civil society organisations do not form part of  
'market'

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Transformation is not possible without trade  
unions

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They are diverse in terms of issues and perspectives they engage in, and, as such, cover a wide range of areas. Civil society organisations are not fixed. They evolve and undergo changes over the time. Some stop functioning and even get dissolved. It is not necessary that civil society organisations should be 'independent'. They are not alternative to a state either. To some extent, these organisations reflect social conflicts and differences. In sum, trade union organisations, mass organisations of women and peasants, human rights organisations and cooperatives, organisations of consumers and other interest groups and non-government organisations are civil society organisations.

Trade union is a specific organisation in the civil society. Like trade unions, women and peasants' organisations also occupy special position in the civil society. Such organisations are membership based, and operate through networks both at local, national and international levels. These organisations represent the mainstream of the social movement.

On the other hand, non-governmental organisations (NGOs) are based on limited membership. Generally, they operate mobilising donor money. Trade unions command widespread legitimacy whereas the legitimacy of NGOs is limited. Thus, to see trade unions as NGOs is wrong and hence union activist should be aware of unions being compared with NGOs.

Professor Richard Hyman has, in his article on "Marxism and Sociology of Trade Union", analysed the viewpoint of Marx, Engels, Lenin, Trotsky and others on "trade union and politics and trade union and transformation". According to Marxist analysis, trade union is necessary for the transformation of capitalist society. Unions encourage the workers to discard capitalism as it does not address their interest. Marx, therefore, compares trade union movements with




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Sometimes, the difference between economic dimension and political mission of trade unions gets blurred.



ramparts, and workers with the army that digs the grave for capitalism. Lenin adds: "Trade unions have limitations. They concentrate on issues of immediate economic benefit, such as improvement in wages and work conditions." Trade unions cannot, Lenin concludes, raise awareness to the extent necessary for social transformation. Therefore, professional intellectuals should be included in the unions to revolutionise them. Trotsky sarcastically called trade unionists as "a political police to discipline the workers on behalf of capital." His remarks were based on the burgeoning trend of 'status quo' in the union movement in England. Yet, he did not disagree with the importance of trade unions for social transformation. Instead, he advocated for non-party independent trade unions.

Anton Pannekoek has defined trade union movement as an action that cannot go beyond the periphery of capitalism. For him, the movement is not aimed at replacing capitalism by other form of production system. Its aim is only to ensure a humane living standard within capitalism. Concurring to this view John McIlroy adds that trade unions have no transformative mission. They seek simply to protect their members within existing society. Hyman slightly differs. He holds- "Trade unions collaborate with capitalism only as long as it is responsive to their interests. All this leads to a conclusion that trade unions pose two challenges before capitalism. First is the movement against economic exploitation. Second relates to the political movement aimed at collective bargaining for balance of power". Thus, sometimes the difference between economic dimension and political mission of trade unions gets blurred.

Trade unions are basically struggling for four rights: right to work, right wages, right to equality and right to freedom. All these rights are interdependent and complimentary core of social transformation.



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The parliamentary politics we chose only served the interest of high class elites

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The other meaning of transformation is the solution to ongoing conflicts

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The working class people have played a decisive role in each political movement and struggle of modern Nepal. What the movements of 1980, 1990 and 2006 have hinted is the symbolic participation of the working class people only results in limited achievements. Massive and conscious participation of working class of various strata results in people revolution like that of 2006.

### **Structural Problem, Multi-sectoral Conflict and Social Transformation in Nepal**

Nepali state, society and economy have all suffered structural problems for long. Our politics remained limited to procedural democracy after the 1990 political change. It served the interests of high class elites, who were the beneficiaries of erstwhile regimes. In the changed context, a new group of rulers also emerged basically from the same class and segment from which the people wanted freedom. The democracy achieved after 30- year long struggle was limited to “voting every five years”, voting that announced the election of a person who was in fact not unwanted by the people. The form of unitary state continued. In the eyes of the people, our system became one in which “villages and communities pay tax to the cities, and the whole country serves the interest of the capital”. People continued to remain as subjects to obey top-down orders instead of equal political citizens.

A welfare state could not be established as envisioned by the erstwhile constitution – the Constitution of the Kingdom of Nepal, 1991. Social relations did not move towards equity, but got caught within the divisive hierarchical pyramids of the past. From this structural problem emerged into a multi-polar conflict with two aspects: *class exploitation* and *social oppression*. The multi-polar conflict can be sub-divided into the following:



A section of the feudal class turned into a class of entrepreneurs but its culture and character remained feudal



- Conflict between the so-called high caste and Dalits for equality
- Conflict between males and females for gender equality
- Conflict between caste groups and ethnic communities for identity
- Conflict between developed and rural areas; cities and villages; and *terai* and hills for regional inclusion
- Conflict between rich landlords and entrepreneurs and poor wage workers for economic equality

The meaning of social transformation in the context of Federal Democratic Republic of Nepal is the transformation of existing social structures to transform the above types of conflict. This is also to restore equal and just access of people to resources, power and opportunities.

### **Nepali Society and Class**

A long period of Nepal's history has ended in rural class struggle. Since land is the primary source of property, it was but natural for political power to rest on land ownership, and society to be bisected in feudal and working classes. The class of entrepreneurs remained as a sub-class of the feudal class. Within the working class were poor farmers and agricultural wage-workers in large number in a state akin to slavery, and a small number of workers in the non-agricultural sector.

Modern classes of entrepreneurs and industrial workers emerged in Nepal as a result of the influence of factory systems developed after the industrial revolution. After the emergence of the factory system, class struggle also entered city centres. Since the capitalist production system was profit oriented, it attracted a portion of the feudal class to grow into a class of entrepreneurs



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The violent conflict of Maoists has plunged into racial and regional chaos

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The class struggle in the cities pursued non-violent yet a politically legitimate militant course

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while carrying over feudal culture and character. And from the family of rural middle class and the poor and landless developed an industrial working class.

The class struggle in the city never turned violent, but the rural class struggle turned violent occasionally. There were a series of local level violent outbursts at various times. However, the first time a violent conflict occurred in an organised form was between 1972 and 1975. It was from the class struggle of 1972 that the Communist Party of Nepal (Marxist-Leninist) originated, which later developed into the CPN (UML) as the mainstream communist movement.

The 'people's war' launched by Maoists in the name of class struggle is the latest violent struggle that started in 1996 and continued through November 2005, when a 12-point understanding was entered into (between the Maoists and the political parties in the democratic mainstream) to find a peaceful solution to the violent conflict. In the last five years, the violent conflict has plunged into caste-ethnic and regional chaos.

Both these violent struggles are rurally rooted, and have played the role in dismantling social dogmas. Modern industrial working class developed in the cities, and after 1980, with the rapid expansion of the service sector, the class of white collar workers and service sector workers also emerged. After 1980, with the development of trade union organisations, class struggle also picked up a shape and speed in the cities. It pursued a non-violent yet a politically legitimate militant course.

In cotemporary Nepal, three classes are in existence – the feudal class, the business class and the working class. In the ongoing contradictions amongst them, the feudal class is losing its control over power and resources and is heading




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Violent dimension of class struggle will not remain in Nepal in future

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towards debacle. After the 1990 people's movement, and with the expanding influence of globalisation and neo-liberal forces, the business class consolidated its influence over the state- power. The working class also expanded its influence through trade union organisations, but it is less influential compared to that of the business class. In the aftermath of the *Loktantrik* movement, the influence of the working class people has increased but has yet to be institutionalised.

It is likely that the class struggle in the cities will be more disciplined; lobbying based, and focused on policy intervention. However, rural class struggle runs the risks of being diverted towards caste-ethnic-regional direction. If political parties fail to address class issues and diminish the state's support to forces of capitalism, class struggle risks being caught in the chaotic quagmire of caste-ethnic-regional issues.

Parties should therefore take speedy action towards structural transformation of rural social order in particular. In view of the trade union movement growing responsible and entering the centres of rural employment and informal sectors, it can be concluded that the nature of class struggle will remain free of violence in the future. It will rather progress ahead through the process of street movement-dialogue-policy intervention. But in the period of transition, when Nepal is busy working for a new constitution, the nature of class struggle may remain volatile. Once the new constitution will be finalised with Nepal being restructured along the federal framework, *the street-table-policy intervention* dimension of the class struggle will surely get its permanent feature.

### **Transformation: Where and How?**

Following was our conclusion drawn in the Fourth Congress: "It is wrong to believe that social contradiction of contemporary Nepal is based solely on





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Three aspects in the context of state restructuring are- Federalism, Participation and Inclusion



class structures. Caste-ethnicity, regionalism and gender should also be seen as elements responsible for conflicts within social structures." We had stated the problem of untouchability and Dalit could be issues to trigger conflict in relation to caste-ethnicity. Similarly, the relative advancement of east and the backwardness of west were estimated to be issues of contention in relation to regionalism. The issues of *Madhesis* (people from terai) versus *Pahadis* (people from the hills) could, we forecasted, be the cause of conflict. Yet another was related to gender issues and discriminations between males and females.

The conclusion drawn in relation to social transformation is also relevant today. After the April movement of 2006, social oppression has been one of the hot issues. Its multi-forms are defined as discrimination against women in all classes and caste- ethnic groups; caste discrimination imposed in the Hindu framework with the 'high caste' discriminating against the 'low-caste' and Dalits; oppression of ethnic-nationalities by 'advanced' castes, and of Madhesis by Pahadis; and so on.

To tackle this problem a formulaic solution of "transformation through inclusion" is presented. To say this is to establish a social order that ensures gender-caste-linguistic and regional inclusion in place of a divisive and discriminatory order that serves the interest of the majority and pays no attention to protect minority identities.

Class favouritism is an "ideological-theoretical" issue, while caste/regionalism/gender are issues of "identity". Class brings the whole nation together, while "caste/regionalism/gender" segregation draws the line of demarcation between groups of people, communities and regions. Whatever the arguments and counterarguments, a party plays a central role in the debate of inclusion and



One of the characteristics of transformed economy is to provide relief and social assistance to those with low-income through welfare programmes



participation. A party is a representative institution of a class. A party without class vision turns to be a group of vested interests and does not last long as an institution. Inclusion and representation should therefore be ensured through political parties.

### **Transformation of economy for the establishment of equitable society**

Those who have been enjoying their rights have control over power and resources. Those deprived of their rights are also denied an opportunity to access power and resources. Unless this socio-economic pyramid is altered, Nepal's economy does not undergo transformation. The essence of transformation is to end the existing social order that protects the interest of those powerful exploiters, and establish a new order that provides social justice and protection of rights to all, not least the marginalised and oppressed. This is possible only through redistribution of national income. Doing so requires levying progressive taxes on those with high income in order to increase national treasury, and, through it, guarantying basic needs of the people at large through the package of social security. To give the poor a sense of equality, the state should address these 9 demands – food, shelter, clothing, education, road, health, water and electricity. Most of these have been guaranteed as workers' social security rights in developed countries in such forms as healthcare and medicine, accident compensation, unemployment benefits, maternity protection and old age benefits and survivors benefit. Nepali trade union movement believes that all these issues should be addressed through integrated social security fund.

We can call this 'economic inclusion'. Just as social inclusion encompasses gender, caste-ethnic and regional issues, economic inclusion addresses class issues. In a common parlance, all those who earn wages by selling their labour power, are



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Without addressing class conflict, economy cannot be transformed

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Without the participation of the working class, it is not possible to establish an equitable society

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workers although there may be variations in terms of income and the nature of work commensurate to one's knowledge and skills.

In another sense, economic transformation refers to a state in which the entire people and those involved in work will have equal access to and control over rights, resources and opportunities, and also to change the nature of the state from its capital-tilt to a system focused on sound balance between labour and capital.

Without addressing class conflict, economy does not undergo transformation. And, workers cannot realise fundamental changes without transformation of economy. When *Loktantra* involves inclusive and participatory processes, people at large will have enhanced access to resources, power and opportunities. But, for the workers to ensure *lokatantra*, it is a must that their workplace is democratised. And, in the absence of dignified work, workplace cannot be democratised.

Workers should have control over workplace and unions to make work dignified. All forms of forced and exploitative labour and all labour practices akin to slavery should be prohibited. The workers should have the right to collective bargaining, and the right to join trade union of their choice. All discriminations against workers on grounds of caste, creed, gender, religion, belief and nationality should end. Workers as a class are the creators of the nation and history; however, they are to date low-paced in all areas and sectors and are even marginalised.

Whatever the method or ideological framework of social inclusion the parties adopt, without the participation of the workers, it is not possible to create equitable society. All of us engaged in writing a new constitution should internalise this essence.




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The world of work is the kernel of our society

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There should be unity amongst trade unions for  
social transformation

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### Unity for Transformation: Why?

The theme of the Fourth Congress was “Enhance One Union for Democracy, Peace and Overall Change”. Inherent in the theme was the message of transformation and a strong opposition to the then royal autocracy and Maoist armed conflict. The necessity of “One Union” was defined as the vehicle for transformation. The theme of this Congress is *Unity for Transformation*. This theme aims to carry over and accomplish the dream of the Fourth Congress. It is necessary to transform our social order to consolidate and institutionalise federal democratic republic, and to take the peace process to a logical end. For this daunting task to be faced, national unity, consensus and collaboration are necessary. The ‘world of work’ is the kernel of our society. It is therefore necessary for trade unions to unite for social transformation.

In terms of income, trade union is a ‘single’ class organisation of stratified wage workers. An intellectual (G Standing) has described contemporary labour markets as stratified into 7 groups: elite, the salaried, ‘proficians’ (those with out stable employment but valuable market skills) traditional core workers, low skilled ‘flexi-workers’ who depend on casualised job opportunities, the unemployed, and those detached altogether from regular (or legal) work.

In the light of production process, the labour sector is divided in terms of ‘organised and unorganised’, ‘formal and informal’ and ‘intra-state and inter-state’. In terms of the nature, labour is basically divided as ‘regular’ (permanent) and ‘irregular’ (contract, daily wages, home-based outsourcing and part-time). Feminisation of the labour market has negated the traditional model of “husband as a wage-worker” and his “wife as a domestic worker” in labour market.



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The more working class expands the network of its supporters, the more it becomes successful to break the networks of its opponent classes



There is a stereotype of the traditional proletarian status, which emphasises a common work, situation, an integrated and homogeneous local community, and a limited repertoire of shared cultural and social pursuits. Modern trade union movement is based on this historical base. But the situation of present day workers is different. There has been a significant difference now in terms of the workplace, social organisation of their work, shelter, consumption and social participation. The workers of the same enterprise do not know where their co-workers stay. They are mutually exclusive in terms of social relations, and cultural and leisurely practices. With the distance between the place of work and residence, the traditional mode of membership expansion and networking has changed. Local unions have also lost links with central unions. In a way, a local union has become a total union.

Gramsci says: the more a working class expands the network of its supporters, the more it is successful to break the networks of its opponent classes, and establish its hegemony. What this notion of Gramsci suggests is unity is not only an added value to transformation but is an inevitable condition. It is for the purpose of unity that we need to critically assess the positive and negative aspects of international trade union movement, and set the tactical line of Nepali trade union movement.

## PART TWO

## The World of Work and Changing Face of Trade Union Movement in the World

With the speedy wave of globalisation, the site of production is also expanding worldwide. Unlike in the 19<sup>th</sup> century, the capitalist production system has left out the agenda of welfare and protection of workers, and has made the whole world a mere factory of production. Be they unskilled or highly skilled, including PhD holders, their labour value has been determined more by the competition in descending order rather than the ascending one. In a state of uncertainty and insecurity, today's workers are compelled to put up for sale their labour as a directionless pedestrian standing at the crossroads. Due to uncertainty of jobs, workers are forced to hunt for the purchasers of their labour almost all the time and in every possible sphere.

In the world of the day, economic processes have become detrimental to labour relations rather than the physical existence of an enterprise. Any decision related to them is determined by the "power of market", and not by the size and scope of industrial enterprises, nor by the "strength of workers" of the contemporary world. An "unseen" owner staying in a corner of the world determines, within a minute, the fate and future of all workers of his/her concern in the entire world. Structures and working modalities of today's international trade union movement have gone through enormous changes along with the changing pattern of labour market. Some changes are follows:

### Then

Hierarchical  
Centralised  
Directed  
Controlled  
Closed discussion  
Slow decisions  
Bureaucracy-based  
Formal

### Now

Network-based  
Decentralised  
Participatory  
Empowerment-based  
Open discussion  
Quick decisions  
Public support-based  
Flexible



A new phase of formation and reformation has begun in the trade union movement of the world



Diplomatic relation  
Work place and  
union-centric

Focused on mobilisation  
Based on alliance with  
social movements, NGOs  
and other organisations

Influenced by the 'North'

Oriented towards the 'South'

After the end of the Cold War, a new phase of formation and reformation has also begun in the trade union movement of the world. International trade union movement is being reorganised at a new height to collectively face and overcome negative challenges and threats posed by capitalist globalisation against the working class people. Regardless of various backgrounds and visions, global trade union movement is collectively moving forward for achieving its goal. In this backdrop, a new international centre – International Trade Union Confederation (ITUC) – is formed by the Vienna Congress organised on November 1-3, 2006. The Congress was in itself a result of the collective efforts of ICFTU- and WCL-affiliated trade unions and formerly 'non-aligned' national trade unions, like GEFONT, that promote pluralism, social justice and dynamism.

"It has been the historic role of trade unionism, and remains its mission, to better the conditions of work and life of working women and men and their families, and to strive for human rights, social justice, gender equality, peace, freedom and democracy.

More than ever in its history, confronted by unbridled capitalist globalisation, effective internationalism is essential to the future strength of trade unionism and its capacity to realise that mission.

The Confederation calls on the workers of the world to unite in its ranks, to make of it the instrument needed to call forth a better future for them and for all humanity."




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With the establishment of ITUC, the  
'non-alignment' policy of GEFONT has come  
to an end

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International labour market is in a state of crisis

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The Confederation (ITUC), established by us and others with the above vision, represents 170 million workers in 312 affiliated national organisations from 157 countries throughout the world. With its establishment, the policy of 'non-alignment' kept up by GEFONT since its establishment has also come to be irrelevant. And, it has, to a greater extent, ended the division of Cold War-Era within the international trade union movement, which used to identify unions as the "left-leaning" and "non-left leaning" one. After 1990, even the WFTU founded at 1945, has not remain a centre of unions carrying certain ideology.

GEFONT is firm in establishing and strengthening a plurality- and diversity-based single international centre of trade unions that transforms "diversity" into "unity" of the world's trade union movements. It will continue efforts for the establishment of a single international centre of all, small or big, trade unions, including the ITUC and WFTU, initially organised on the basis of different ideologies and traditions.

### **International labour market and current economic crisis**

International labour market today is also in a chaotic situation. Contradictory systems and practices maintained by labour receiving countries, in the name of regulating labour market, have contributed to this crisis. These countries are only concentrated on maximising production of goods and profits by restricting legal entry of migrant workers and by promoting illegal ways.

Labour informalisation is growing throughout the world, specially, due to globalisation and multinational corporations to grab unchecked profits through a tightened control over the global economic system. Migrant labour force is one of the results of such informalisation. Sending countries are only concerned





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Number of people earning less than 1 dollar a day is estimated to be 100 million

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about the income they receive in forms of remittances. They are generally guided by a very narrow 'concept' of labour migration, which puts emphasis on receiving 'money', and not on improving the system. These countries wish for increasing number of workers going out aboard and getting rid of unemployment- problems, such as economic and social discrepancies, political rebellions and criminal activities, back home. None of the countries – neither sending nor receiving – are serious about the protection and welfare of migrant workers.

Decreasing the number of permanent workers and promoting labour flexibility by limiting social security expenditures have been taken as 'absolute options' for regulating labour market. 'Outsourcing' is being another easy option for employers and states wishing to get rid of obligations to protect and ensure the welfare of the workers. Through these steps, investors and managers are active in evaporating the relevance of trade union organisations throughout the world. Supportive to such steps are the actions of international financial institutions, including World Bank, International Monetary Fund and World Trade Organisation.

A very complex scenario of international economic crisis is hitting the day. The financial crisis has emerged from almost failure of banks and financial institutions of the United States and now spread out to be an international economic crisis. It has turned to be a great threat in the form of an employment crisis for the entire labour community and trade unions. This crisis has worsened the situation of working class, which is already suffering from price hikes in food and consumer goods pushing further to extreme difficulties and livelihood crisis.




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50 million more people are estimated to be unemployed and additional 200 million people to fall into the spiral of extreme poverty

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Financial crisis is the irresponsible face of the free market economy

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In its resolution of the November 2008 meeting, ITUC-AP stated that the global crisis signifies extremes of neo-liberal free market economy. It has now come to an optimal point. ILO has estimated that the number of people with daily income of less than 1 dollar is going to be 100 million. This crisis is not only aggravating poverty and inequality but also ensuing greater challenges in resource distribution.

Global unemployment rate was 5.7% in 2007 and 6% in 2008, says the ILO's World Employment Report 2009. This figure is estimated to reach up to 6.5% in 2009 and add, in the figure of 2007, some 18–30 million people in the world of unemployment. This rate may go up to 7.1% if the employment crisis is not counteracted on time. Such crisis may add some 50 million people in the current figure of global unemployed population. Similarly, additional 200 million people will fall into the spiral of extreme poverty. ILO report concludes that the world's middle class population is being weakened day-by-day. Large companies are cutting down employment opportunities. The danger of being thrown to a crisis is at the doorstep of every working class person. The recession has this cycle: "reduction in consumption due to reduction of employment; decreasing sales due to curtailed consumption; and again, reduction in employment due to decreased sales in the market".

The irresponsible face of free market economy is exposed by the adverse effects of financial crisis on the labour market. In effort to become unchallengeable in the form of globalisation, modern world capitalism is, however, like a casino gambler being defeated. The countries like USA and UK, who oppose the concept of state-intervention in economic systems, are now active in purchasing shares of private banks. These countries have, in a way, come to accept the socialist



Active efforts of workers are necessary in the campaign of establishing new international system



premises that effective state-intervention is inevitable to regulate and control the market and economy.

Time has proved that our long-term goal is right, the goal being “socialism for dignified working class and prosperous life”. The failure of neo-liberalism has further strengthened our enthusiasm, determination and ideological grounds of social transformation.

However, the forces of socialism have not reached to the extent to defeat capitalism. The way ahead is long. It is sure that a firm struggle against capitalism will be continued for many decades. We have to admit this reality. An active effort of workers is, therefore, necessary in the campaign of establishing a new international economic-order. An environment is to be created for the world’s trade unions and pro-people forces and organisations to move forward for establishing mechanisms for new, just and fair distribution and exploitation-free production systems. A new plan of action should be made to reconstruct and expand trade union movement as the departure point to respond to the crisis created by capitalism in order to move towards socialism. For this, trade union movements should also find ways to intervening policy discussion with economically advanced countries, and international financial institutions and regional blocks.

There is an immediate need of creating stronger and more effective unity-based policy intervention in our national context. Global economic crisis and subsequent results of employment crisis have been gradually crippling our country too. Already now, Nepal has had following effects of the global crisis:

- Already pathetic situation of Nepali migrant workers has gone worse and possibility of forced return is increased;

- Decrease in foreign employment opportunities (average number of workers flying from Nepal's Tribhuvan International Airport has come down to 400 per day from 656 as of August 2008;
- Possibility of a sudden decrease in the current 18% contribution of remittance to gross national income;
- Increased crisis in export-oriented industries, and unemployment of thousands of people;
- Using the crisis as a pretext, the employers have resorted to lay-off of workers and have stopped paying back bank interests and loans;
- Crisis in bank/financial institutions and housing and real estate industries due to decrease in remittances;
- Possibility of rapid increase in social unrest and crimes due to unemployment

Nepali working class people and trade unions should, therefore, be aware of the possible blows economic activities would suffer because of, among others, decrease in investment and resultant impacts on production, services and employment. Such an appalling situation has to be tackled by strengthening policy interventions, mobilising pressures and fostering dialogues and interactions with employers and the state.

PART THREE

## Direction of Nepali Trade Union Movement

### Beginning of the History

The beginning of the Nepali trade union movement goes back slightly before 1951. While the historic workers' movement started on 4 March 1947 in Biratnagar, the workers themselves did not know what a trade union was and what it would contribute to. They were unknown about collective bargaining and industrial relations. The main concern of the workers then was to attract more and more workers to the political movement. The then leaders – Girija Prasad Koirala, Manamohan Adhikari and Tarani Prasad Koirala – entered the area of Biratnagar Jute Mills with this purpose in mind – to mobilise the workers in the political movement to follow.

In an interview, Girija Prasad Koirala says, "Manamohan went to the Chemical Industry; assigning clerical jobs to Tarani Prasad and Yuba Raj Adhikari. Gehendra Hari Sharma was sent to jute mills area and I was sent to cotton mills area by giving a work to count jute ropes. The internal motif was, however, to start a political movement from there."

The four year long duration from 1947 to 1951 sustained through a number of ups and downs. Girija Prasad Koirala thus clarifies the then dilemma of the labour movement: "We used to gather together during off hours at night. I was not confident enough about the workers' movement and politics. What I knew was we have to do something, that is, movement. Amidst this, we decided to call a strike at 7 am on 4 March 1947. We decided to operate the mills only for 7 minutes, and then close all functions. We asked the workers to suggest their demands from which to make a list of common demands. Manamohan was quite familiar with the labour movement. He had experience from Indian Trade Union movement, but I was totally ignorant on it.




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In the beginning, only the leaders were involved, workers took some time to come in



Regarding demands, BP Koirala reminded us to put only a few demands, the main one being the wage increase by a half. It was easy to be addressed, and with it we could also further inject our political work.

In this way, the leaders involved in the movement tried to convince the workers relating them to their problems and educating them about the importance of forming unions. However, this campaign could not include all the workers. As Girija Prasad put, “In the beginning, only the leaders were involved, the workers took some time to join.”

The ruling Rana oligarchy took the movement as an ‘unruly behaviour of the Koirala family’, and decided to imprison the leaders of the movement. But the regime was also forced to respond to the workers’ demands. On the 23rd day of the movement, the labour wage was increased by 15 percent as per ‘the directives of the *Shree tin maharaja* (Rana prime minister)’. The regime also announced to give the full wage of the workers for the strike period.

Repressions notwithstanding, the workers involved in the movement had a great impression of it. The way of launching the movement, organising demonstrators, and the arrangement of flag and leadership were similar to the Indian trade union movement, which had a strong influence on the participants of the movement.

BP Koirala, the first elected prime minister of Nepal, had this to say about the movement, “This was the first movement launched from Nepali soil. It really touched the spirit of the workers. I was also invited to lead it. This was a political movement to suppress which the government and the mill owners were united.



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In 1947, an act was promulgated banning the right to organisation, on the one hand. On the other, it proposed to appoint a worker's leader in the 'national assembly'.



The people had however a great support to the workers. ...At that time, General Ram Shamsher was a senior officer [badha hakim].

We fully supported this movement on behalf of the Nepali National Congress. Around 5-7 thousand workers were involved in it disobeying the order of the government, the first time in Nepal's history. The people spontaneously helped the agitating workers providing food, water and money, and thus saw its success. Padma Shamsher was the prime minister at that time."

People's Leader Madan Bhandari's take on the movement is the following: "the main demands of the movement were provisions of appropriate shelters, a wage system addressing livelihood needs, and recognition of the workers' organisation. Thus the movement had raised various issues related to direct and long term concerns of the workers. ... Although the Rana Regime seriously suppressed this movement, it was equally fearful too. As a result, in 1947, an act was promulgated banning the right to organisation, on the one hand. On the other, this act proposed to appoint a worker's leader in the 'national assembly'."

The labour movement of 1947 -1951 developed two parallel streams, namely communist and socialist streams. The main points of debates between these two schools of thought were about what name and flag to be used for the movement. Manamohan and BP both were inclined to the communist stream and socialist parties established in India.

Girija Prasad says, "I was also a communist in the beginning. Later on, I left the (student) federation and joined another line, while Manamohan remained in the same federation."



The most active affiliates of the 'mass organisation front' formed on 7 July 1951 was the All Nepal Trade Union Congress.



The labour politics during this period followed the 'top to bottom' character, and no the vice versa.

### **A haphazard period of union expansion**

The duration from 1951 to 1959 was one of expansion period of the Nepali trade union movement. The political change in 1951 did also change the role of the leaders established in 1947. After 1951, Manamohan Adhikari's role changed to one of a communist leader. Afterwards, the evolution of the trade union movement can be analysed through the expansion of All Nepal Trade Union Congress. After the ban on communist party in 1950, the most active affiliates of various mass organisations the '*Jatiya Janatantrik Morch* or mass organisation's front' formed on 7 July 1951 was the All Nepal Trade Union Congress. Around 6,000 workers were organised under this.

There is no uniform viewpoint as to who were the established trade unions and their leaders between the duration of 1947 and 1951. Girija Prasad Koirala says,

"At that time, the union's name was 'Biratnagar Mills Workers' Association'. The union was only one. The division appeared only after the political change in 1951. They [Manamohan's group] changed the name of the union. They renamed it as All Nepal Trade Union Congress and we did it as Nepal Trade Union congress."

Girija Prasad Koirala has claimed him to be the president of the Biratnagar Mills Mazdoor Sang in his letter Asian Regional Secretary G. Mapara of ICFTU-ARO for affiliation with the then ICFTU in 1959. The historic fact shows that National Conference changed the name of the union as All Nepal Trade Union Organisation. Koirala further writes,





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The then labour movement was centralised on enterprise level labour disputes

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Between 1959 and 1979, the trade union movement had no 'national centre of trade union'

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"Our organisation is not at all affiliated to any other Foreign trade union organisation; ... Our trade union organisation is wedded to Socialism and Democratic way of life both the ideals being equally dear to us. ... It was this organisation which launched the first Democratic movement in the country in the year 1947 and then subsequently was vanguard of the Democratic movement throughout under the inspiring leadership of the Nepali Congress."

In a query, whether there were any other union centres in the country, Koirala says-

"All Nepal Trade Union Congress (controlled and directed by the Communist Party of Nepal); address- Kathmandu, Nepal; membership not known. But they are quite potential and have some strongholds."

During this period, the trade union movement in Nepal got polarised as 'leftist and non-leftist', influenced by 'cold war' politics. Instead of the issues and interest of the world of work, the labour politics was rather influenced party politics, and was a carbon copy of the Indian movement.

### **Nepali Trade Union Movement during Extreme Oppression and counter-offence**

On 15 December 1959, King Mahendra assumed power by staging a coup d'état. He dissolved the then constitution, banned all the political parties and organisations, including the two decade long trade union movement. Then, between 1959 and 1979, the trade union movement could not build a 'national centre of trade union'.

However, the labour movement was not fully collapsed. The workers were involved in a series of local level movements. A case in point was the 1973 labour




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‘Muslo Paribar’ started Marxist education Class  
among the hotel workers

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All the leaders of the campaigns were arrested

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strike in Biratnagar Jute Mills, which prepared a base for the progressive trade union movement as an alternative to the then regime-backed ‘Nepal Labour’s Organisation.’

In 1976, some new possibilities appeared in the Nepali politics with students’ movements gaining momentum. The students’ movements picked up following the imprisonment in Kathmandu of the leaders involved in the Peasants’ uprising in Jhapa accused of killing, robbery, and others. The students wanted them to be recognised as the prisoners of conscience. Then came a point when a number of student leaders were also kept behind bars. The imprisoned students got an opportunity inside prisons to meet face to face political leaders. These meetings bolstered them to intensify the movement for freedom. As soon as out of the prison, the student leaders started to organise the workers in Hotel Crystal and Hotel Shankar.

After the students’ movement of 1976, and following student leaders’ interactions with political parties, Pradip Nepal, Gopal Shakya, and Madhav Paudel established an organisation ‘Muslo Paribar’ to impart Marxist Education among hotel workers. The classes – known as Adult Literacy Classes – used to run at night. And these classes also resulted in the participants being organised. Amidst this, a May Day committee was formed for the celebration of the May day as a political movement. As part of celebration, it was decided to distribute pamphlets against the then ruling system. And, the major centres for the pamphlet distribution at selected colleges.

The pamphlet campaign triggered a harsh state response. All the leaders of the campaigns were arrested. Among them, Pradip Nepal, Gopal Shakya, and Madhav Paudel were sentenced to 10 years in prison with a fine of NRs 10



The movement led by NNTA was different from the traditional definition of the trade union movement



thousand. Bir Bahadur Lama was sentenced to a five-year jail term and a cash fine of NRs 5,000. All others were given a six month imprisonment. This incident was a new strategy to organise the workers after the dissolution of the national centre on trade union. The 1979 movement assisted in launching of the “Second edition” of the trade union movement.

### **Establishment of Nepal Independent Workers’ Union as the Second Edition of Nepali Trade Union Movement**

By 1979, the workers were already in the labour movement spontaneously. In October 1979, the striking workers of the various factories at Balaju Industrial District realised the importance of the national trade union and formed a preparatory committee for onward preparations. The committee organised a wider meeting of the workers at Balaju Industrial Districts on 29-31 January 1980, which resulted in the constitution of the ‘Nepal Independent Workers’ Union.’

Between 1980 and 1990, the Union organised workers in sectors other than manufacturing industries to encourage them to form their own unions to assert their rights. Then, independent unions started to be formed in hotel, trekking, transportation, and printing-press and publications sectors. These unions soon involved in various movements in coordination with underground political parties. These movements built on the principles of class struggle, but also had trade union rights and social justice in the agenda of the movement.

Till this period, parties did not have a strong popular base. As such, the trade union organisations – the Independent Transport Workers’ Association of Nepal, 1979, Nepal Independent Workers’ Union, 1979, Nepal Independent Hotel Workers’




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Now came a point in which the cadres started to fight each other, influenced by divisive politics at the centre

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Union, 1980, Trekking Workers' Association-Nepal, 1984, and Independent Press Workers' Union of Nepal, 1979 – acted as the vanguard of the movements. It was during this period that the Nepal National Teachers' Association started to organise teachers across the country to provide intellectual back up to the movement.

Amidst this, the General Federation of Nepalese Trade Unions (GEFONT) was established on 20 July 1989 by the collective attempts of the Nepal Independent Workers' Union, Independent Transport Workers' Association of Nepal, Nepal Independent Hotel Workers' Union, and Trekking Workers' Association of Nepal, 1984. Established under ground, GEFONT declared its mission as being to coordinate existing trade unions, assist in their struggles, and organise, mobilise and give directives to unorganised workers.

In this period, the trade union movement was formidable. But the way of struggle was however like the one it was before 1950s as labour politics had not had its own shape. It was still influenced by 'top to bottom' approach. Now came a point in which the cadres started to fight each other, influenced by divisive politics at the centre. The teachers' and civil servants' organisations broke and divided.

### **Social and Political Recognition to the Union Movement**

In 1992, with the enactment of trade union Act, the state formally gave recognition to the trade union movement. Then an exercise of enterprise unionism started with the provision of registering local unions if 25 percent of workers chose to be its members. The state gave recognition as Confederation to those trade union centres having 10 National Federations; the association



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The NTUC accepted to start dialogue at General Secretary level for Single Unionism

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established both based on individual members in informal sectors; and federal association established by at least 50 enterprise level unions in formal sectors. A right to collective bargaining was given for two years. The authentic union for bargaining is determined through election if there is more than one union existed at enterprise level. By this, on the one hand, the union movement started to function under legal and legitimate procedure of bargaining with the management as and when needed. On the other, the unions started to polarise politically. By 1996, only GEFONT and Nepal Trade Union Congress (NTUC) satisfied the provisions to be recognised as Confederations.

### **The Period of Violent Conflict and Turn in Direction of Unionism**

In 1997, the Democratic Confederation of Nepalese Trade Union (DECONT) was formed splintering from the NTUC. Until November 2006, DECONT remained as the third National Centre. The formation of DECONT communicated a negative message of breaks and splinters in the trade union movement. However, this also gave a pressure to the NTUC to dialogue with GEFONT. Thus, the formation of the DECONT created an environment of mutual cooperation between the largest two trade union centres at the very least.

In 2000, GEFONT held its Third National Congress raising the slogan of 'one country, one union' under the policy of 'one union'. It adopted the principle of forming a labour senate by collaborating with other unions. In response to the initiatives that followed, the NTUC accepted to dialogue at the General Secretary level of each of the two centres for the formation of Single Union. Afterwards, multilateral structures were created for the same purpose.



They resorted to terror tactics and expanded organisation under its influence



### **Trade Union Movement after the Safe-Landing of Maoists**

Immediately after the April Uprising of 2006, the All Nepal Federation of Trade Unions (ANFTU) was formed as a by-product of the Maoist 'People's War'. Through the ANFTU, the Maoists pursued the policy of forceful intervention in the labour market, and entered the workplace with a slogan to "discard the old one". Wild-cat strikes were organised to fuel dissatisfaction of the workers accusing the trade unions like ours of being a "yellow", NGO-ised, Economist and luxurious. Just until four years back, tagged as a 'fax-union' (the meaning is they never appeared before management but threatened to collect extortion through fax and e-mail from jungle) by the entrepreneurs, this union became a group of 'shutting enterprises by force' labelling what they did as a 'labour action' by the workers.

After the establishment of *Loktantra*, the Maoists adopted a policy of entering factories without a prior notice to advocate the 'principle of the existence of two states' and, on the basis of the principle, forced the factories to pay food and cloth for the 'people's army' and address their other needs. To get their demands fulfilled, they closed all the industries of *Pathalajya-Simara Corridors, Pokhara* and *Biratnagar*, launched armed attacks in areas like Bara-Parsa, Pokhara, Butwal, and Biratnagar. They resorted to a wave of terror to expanded organisation under its influence.

A new 'war' was declared against the mainstream trade unions accusing them of 'bringing in dollars from NGOs and INGOs in the name of workers' and claiming them to lead an authentic movement. Adopting the colonial policy of 'divide and rule', the Maoists targeted GEFONT primarily, maintained a softer approach towards ANTUC and terrorised DECONT. The Special Central Command of the Maoist trade union issued on 11 September 2006 a special circular

“ JTUCC has been formed and a code of conduct is developed to operate the Centre ”

communicating two messages: (a) “...distribute 100 thousand memberships within a month; and (b) “...wipe out’ GEFONT within four months”.

These two were their strategic objectives.

The union launched a spree of “abduction, vandalising offices, forced occupation of offices, production of a separate demand letter and a set of actions against authentic agreements” in the pretext of implementing the agreements.

Despite these, the campaign on single unionism continued. Frequent agreements and declarations were made on ‘mutual cooperation, non-attack, fair competition, and mutual respect’ among the ANFTU and CPN-UML & CPN-Maoist; ANFTU and Nepali Congress & CPN- Maoist and the ANFTU and ILO. After two years of continuous initiation a National Trade Union Conference was organised on 26 -27 October 2008, which Maoist Chairperson and Prime Minister Puspa Kamal Dahal ‘Prachanda’ graced as the chief guest. The Conference formed a Joint Trade Union Coordination Centre (JTUCC), and developed a code of conduct to operate the centre. The deliberations made on “Code of Conduct for Collaboration”, “Proposal for Amendment to Labour Laws” and “Trade Union Issues in the Constituent Assembly” have created a groundwork and tactical line for the future trade union moment.

### **Strengths and Limitations of the Trade Union Movements vis-à-vis Nepali Labour Market**

Nepali labour market has its own characteristics. Ninety percent of it is based on informal economy, involving the largest sector of agriculture. There is a dangerous imbalance between the demand for labour and supply. A huge

additional labour is available triggering the problem of unemployment and semi-employment. There is an unnatural attraction of Nepali workers to foreign employment. As such, migration and brain drain has become rampant.

Nepal's labour sector is extremely exploitative. There are some nominal rights of the workers ensured in the formal sector. The workers in the informal sector are, however, completely deprived of even minimum fundamental rights. Still, Nepal maintains the labour practice in which the workers are condemned to work in a situation akin to slavery, and child labour is rampant while adults are deprived of employment.

While talking of institutionalising *Loktantra*, there is a contrary trend of using force to fulfil demands rather than adopting collective bargaining, a characteristic feature of *Loktantra*.

### **Nepali Workers and Pattern of Existing Employment**

There are several patterns of employment in Nepal's labour market both in the formal and informal economy.

#### **Formal sector**

Comparatively, the 'permanent, temporary, 'flexi time', and break duty' workers in **civil service or public enterprises** are better protected. But the workers involved in casual job, contract, and out sourcing are not protected and organised.

There are three types of workers in the **education sector**. Workers involved in the **community schools** (permanent, temporary or contract-based) are in the first category, and are comparatively better protected. Those in **private**





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Civil service, public institutions, education sectors and hotel and tourism sectors are service industries

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The family members of this sector are compelled to work free of cost

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**schools** can be hired and fired at any time, irrespective of their statuses. In the **universities**, the permanent workers are better protected in comparison with part time workers.

#### **Other sectors**

- **Hotel, Restaurant, Catering and Tourism sector:** Only a few temporary, 'flexi time', and break duty' workers in this sector are permanent. The rest engaged in casual job, contract-based work, and out-sourcing are not protected and organised.
- **Organised industries:** Here too, only a few workers are permanent. A large number of them work are daily-waged, contract-based, and out sourced.
- **Service industries** (ICT, including garbage cleaning and retail-shop workers): Only temporary, 'flexi time', and break duty' workers are hired even for regular works. A limited number of workers are permanent, and the rest, a large number, work on the basis of daily wages, contract, and out sourcing.

#### **Informal sector**

In the **agriculture sector**, a large number of workers are casual- they are getting wages even in 'kind' not in 'cash'. Workers are involved on the basis of annual contracts, part time contracts or other arrangements too. The family members of this sector are compelled to work as attached labour as well.

#### **Non-agriculture sector**

- In the **construction sector**, the use of middle-man (known as *Dalal*) is rampant. A triangular relation is established among the unemployed workers and the middle-men, in which the unemployed are paid




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Home-based workers fall in two categories: those involved in family self-employment based on local raw materials and those involved in outsourcing on piece-rates



some amount in advance and are made to work to clear the money. These workers are vulnerable to exploitation. In this system, the middle-men get fattened through non-involved earning. The right of collective bargaining is available for these workers too but it does not make that much sense as the workers are 'project' based and, as such, short-term.

- **Street Vender:** This sector, mostly neglected by the state, is mainly self-employed. The hawkers, grocers in the pavement, and small retailers fall in this category.
- **Home-based work:** These workers also fall in two categories: those involved in family self employment based on local raw materials and those involved in outsourcing on piece rates. The second category is outcome of the informalisation of organised industrial sector.
- Workers in the **transport sector:** These are regular workers involved in the transport sector without any definite arrangements. They usually get nominal wages. Many of the transport workers are contracted orally, and are not insured as such. Their insurance is covered by the insurance of vehicles. The transport sector of Nepal is unsafe, and has no collective bargaining systems between the management and the workers. They are protected only through the funds operated by the Independent Transport Workers' Association of Nepal and the transport workers' 'welfare fund'.

**Domestic labour:** These are the workers hidden, ignored and are often scattered. The majority of them include women and children, and are vulnerable to abuses, including bondage and forced labour.



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Trade unions have had access to various state institutions and processes

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We have to start the process of 'industrial unionism' as in other countries

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## **Two Decades of Establishment of GEFONT: Achievements and Limitations**

Two decades have elapsed after the establishment of GEFONT. Two peoples' movements were held during this period, and GEFONT played a crucial role in each. The labour sector has been constitutionally and legally protected, although to a limited extent, and the trade union movement has been recognised as a social partner. During this period, trade unions have had access to various state institutions and processes, and have influenced the enactment or amendment of labour act. In our initiation, two national conferences on labour have also been held.

After implementation of the Trade Union Act, our affiliates seem to focus more their work of organising and mobilising within regular and permanent workers. In fact, the trade union movement had to organise all marginalised workers having peripheral and precarious job.

The current model of "enterprise unionism" has localised the trade union movement. The central units play a facilitating role and not the one of leadership. Thus the trade union movement is scattered. In order to overcome this, a federal council has been formed from among the GEFONT affiliates for a year now. Our one year of experience shows that the existing 'enterprise-based union' is not suitable to forming the workers controlled union. Therefore, we have to start the process of 'industrial unionism' like in other developed countries.

In the context of Nepal, formation of the industrial trade unionism means, in a sense, the formation of central trade unions based on industry of similar commodity. This process includes formation of trade unions based on individual membership, and giving recognition to the union branches at enterprises levels.

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The district committees, elected by GEFONT  
local representatives, should be given executive  
authority  
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At the enterprise level, there will be branches of industry federation and the workers will get an opportunity to elect GEFONT delegates. What all this complex results in is the inclusion of central industrial federations and confederation in ‘collective bargaining’, process which, as per existing labour legislation, is the sole responsibility of enterprise union.

It may be obvious for enterprise level unions to engage in solving local level disputes. But the overall responsibility of collective bargaining should be held at the national level. Once an understanding is reached with the concerned authority of government and the representatives of recognised commodity association of employers; it should apply to all workplace. The government should actively engage in implementing the understanding, and monitoring its progress through necessary institutional arrangements. To date, the role of the government has, in this respect, been one of a mute observer.

### **Proposal for Reforming Existing Structure to Face up to Future Challenges**

GEFONT went through landmark reforms in its organisational structure from the Fourth National Congress. Such changes were made with objectives of making local structures more responsive and capable to coordinate initiatives of member unions. Major systems established by the Fourth National Congress are still relevant. However, taking into account the changed political context, the process of state restructuring along federal structures, and proposed “industrial unionism” further reforms are felt necessary.

It seems relevant to create two different coordinating mechanisms headed by GEFONT’s vice-presidents to coordinate affiliates and GEFONT’s local organisations. Therefore, continuity should be given to affiliates’ councils. There



The Central Labour Relations Council should be able to work in parallel with the 'Employer's Council'.



should be a 'Central Union Council' at the centre. Under the Central Union Council, it is suitable to form nine union councils, each comprising a coordinator and concerned affiliate representatives. District and local level union councils are to be established. District union councils will be elected by presidents of enterprises and local union councils will be represented by enterprise-level president of the affiliates. Similarly, it is proper to transform current Zonal committees into coordinating committees, which will be GEFONT state-committee after restructuring of the state. The district committees, elected by GEFONT local representatives, should be given executive authority. Further, it is appropriate to dissolve current 'Regional Coordination Committees' as their relevance will come to an end after the above arrangements.

Provision for a new Central Labour Relations Council is deemed necessary to strengthen the process of collective bargaining suitable to the industrial unionism. The Central Labour Relations Council should be able to work in parallel with the 'Employer's Council'. There should be a pyramidal structure of the Council with Zonal, district and local level.

A new system should be developed by this Congress to organise and mobilise senior unionists. An entity, such as "GEFONT Veterans Network", should be constituted to foster dignity of veteran trade unionists, coordinate community workers clubs and, to manage activist's welfare fund of GEFONT.

Provisions should also be made to create an "National Office Bearers Committee", consisting of members from President to General Secretary, to execute the day-to-day business of GEFONT national committee. A 'Council of Congress Representatives' should be formed by replacing the current 'National Council' with provisions for immediate past President and Vice-presidents being



CWWD should transform into Women Committee and a “Youth Committee” should be established to increase youth workers’ access to GEFONT’s policy-making processes.



Chairperson and Vice-chairpersons of the Council. Like the structure of the ITUC General Council, of which GEFONT is also a member, it is practical to elect a titular member, first substitute and second substitute among the Congress delegates.

New provisions and structures are necessary for more effective functioning of committees and departments. The Central Women Workers Department should be transformed into “GEFONT Women’s Committee” to revitalise interventions in areas of women workers’ issues. Similarly, a “GEFONT Youth Committee” should be established to increase youth workers’ access to GEFONT’s policy-making processes. In addition, ‘desks’ should be established under GEFONT departments to respond to the issues pertaining to migrant workers, occupational safety and health, and child labour, among others.

Making new provisions for “Community Workers Club” is urgent for promoting working-class-based socio-cultural awareness at the local level. Such provisions can be expected to be helpful for the union movement in reviving its networks at the local level and extending solidarity for the benefit and welfare of the working class people.

We have been active for years in promoting ‘single union’. This issue was sufficiently discussed in the Fourth Congress. It is still necessary to have more clarity on various issues: basis of creating a single union; its norms, values and organisational principles; specific guiding principle, thoughts and politics; relations with political parties; structure and working modality; and so on.

GEFONT and other seven trade unions have, following a series of discussions and debates, reached the following conclusion in this respect: those unions



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GEFONT should further speed up this campaign and develop it as a unique model of trade union movement in South Asia

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This Congress has to come to a certain conclusion regarding the process of unification of GEFONT and CoNEP

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having different orientation and tradition who are agreed to work together-Joint Trade Union Coordination Centre (JTUCC) will be established by their equal representation. The coordinating centre will be led by an executive committee consisting of a presidents and other two members, one of them woman, from each federation. Costs for management of the centre's office and staff will be borne by the unions' own funds. GEFONT should further speed up this campaign and develop it as a unique model of union movement in South Asia.

A number of talks have taken place between GEFONT and Confederation of Nepalese Professionals (CoNEP) in connection with unification. In a view to speeding up this process, last year's May Day was organised jointly. Various "formulas" were determined to proceed ahead for unification, even a unification schedule was developed time and again. However, the process came to a standstill all of a sudden. This Congress has to come to a certain conclusion regarding this issue as well. Therefore, to materialise the policy of "One union-One voice", GEFONT has to give continuity to the process of "collaboration-dialogue-unification" to the extent possible amongst all possible unions both at bilateral and multilateral levels, and on the basis of working and/or issue-based unity.

Trade unions take on different forms in terms of their political alignment. A category of them may have affiliations with political parties, while another may be non-affiliated. Characteristically, politically affiliated trade unions and social movement-oriented trade unions have involved in the process of "one party one trade union," "front trade union movement" and "common trade union movement." It is very difficult to realise the multi-dimensional potential of trade union movement based only on traditional approaches. Today's trade union movement has taken the form of a social movement. The structure of the



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Social movement trade unionism seeks to ensure forward looking social transformation, going well beyond the traditional focus of wage and workplace related bargaining only



proposed 'single union' should also reflect this form. It should be able to act as a strong social movement.

Social movement trade unions involve all types of struggling groups, organise and mobilise all workers engaged in all sectors of work, whether formal or informal, and work to protect the interest and welfare of all workers, whether permanent or casual. Unlike traditional trade unions, they do not limit their focus to political and economic issues, but also seek to address exploitative and oppressive economic and political systems, nationally and internationally, which have been responsible for a huge 'social cost'. In a word, social movement trade unions seek to ensure forward looking social transformation, going well beyond the traditional focus of wage and workplace related bargaining only.



ANNEX 1

## GEFONT Plan of Action

The tenure ahead of General Federation of Nepalese Trade Unions (GEFONT) will be marked by two highly significant tasks: reform of the labour market and social transformation. GEFONT has to play a crucial role in organisational strengthening, empowerment of the workers by enhancing their ideological awareness and in various aspects of policy interventions. At this historic moment of reconstruction and transformation of the state, society and economy, GEFONT is also expected to take a decisive lead in materialising the principle of working class unity and the campaign of single unionism.

GEFONT has long been at the forefront of the trade union movement of the country. To the movement, it has always given a new direction, energy and velocity. It is firmly committed to socialism with a clear-cut mission to start a new era, an era that ensures prosperity and dignity to the life of the working class. As such, the following plan of action has been proposed as an amalgamation of regular and special activities, which cumulatively aim at addressing the immediate needs of the working class as well as contributing to the goal of prosperous life with dignified work and prosperity.

### 1. Unity for Transformation: Special Campaign

'Lokatantric republic' is the system of our governance. In this two-word formulation, lokatantra refers to a political framework, a boundary outline, ratified by the sovereign people. And republic is the form of government elected by the people from amongst them within the framework of lokatantra. Nepal has just instituted this form of government. The task ahead is to institutionalise it. This is – institutionalisation of lokatantric republic – the first and primary responsibility of GEFONT in its tenure ahead.

Central to GEFONT campaign are the establishment, through new constitution, of participatory and inclusive lokatantra with economic and social rights; creation of federal states based on our own originality; establishment of equity-based state structures in a class framework by eliminating all forms of economic exploitations; and, eradication of all forms of social oppressions, such as gender, caste-ethnicity, linguistic and religious discriminations. Under this campaign will fall following initiatives:

- Training and education campaigns at the committees under the newly formed Union Councils and GEFONT to ensure effective participation of the working class in the process of transformation
- Continuity of the ongoing collaboration of political parties to intensify the participation of the working class in constitution making
- Increased dialogues and interactions with Constituent Assembly, CA members and the government

## **2. Organisation Building, Expansion and Mobilisation of Workers**

- a. This Congress has made amendment in the existing structure of GEFONT. The restructuring of the state will necessitate some new structures at various levels, which will require restructuring of GEFONT structures as well. In the light of this, the following has been proposed in the context of organisation building:
  - ***Organisation-management***, as per a new structure, at the local level and special campaigns on organisation restructuring and mobilisation in yet-to-be-formed federal structures

- Adopt the policy of (a) further strengthening and mobilising existing unions in formal economy, and (b) implementing sector-specific activities and membership expansion in both agricultural and non-agricultural informal economy, focusing on amongst workers in agricultural, construction and street vendors.
  - Enhance social image of the trade union movement by mobilising workers in special days
  - Mobilise workers both at local and national levels to resolve grievances including issues of decent work and fair wages, through Central Union Council of members organised under different affiliates
- b. **Establishment and Operation of the GEFONT Veterans’ Network:** Senior unionists who have for long been active in Nepal’s trade union movement as well as in establishment of GEFONT deserve due respect and appreciation. The movement continues to need their advice and guidance in the days ahead. To this end, the Congress has decided to establish GEFONT Veterans’ Network to bring together senior unionists in honour of what they have done in the past as well to respectfully mobilise their wisdom and skills to benefit the movement in future.
- c. **Expansion of Community Workers’ Club:** The unions established at the workplace and enterprises only represent a side of the emotional unity of workers. Their nature and place of work is different, and they belong to different enterprises. However, these workers reside in the same area and locality. In the union formation and mobilisation exercises to date, the workers are left to stay separately and non-united in the community they live. This has kept the alliance of the union movement loose. The

'community workers' club' will, on this backdrop, further expand the practice of 'workplace and community based committees' in order to unite the workers also in areas they live.

### **3. Intensified Campaign of Social Protection**

We hold that the employers' demand of 'hire and fire' and labour flexibilities should be balanced with social security measures, such as pension, provident fund, insurance, including health insurance, education allowance for the family of the workers, and unemployment benefit, among others. To materialise this, the following will be done:

- Campaign for an integrated social security fund while disseminating, advocating and lobbying for other 9 aspects of social security
- Consolidate and continue with 'micro- health insurance' schemes
- Mobilise workers to raise awareness on workplace safety, occupational safety and health, and, thus, to protect workers from occupational hazards and diseases. Implement various constructive pressure-campaigns to use the funds deposited at the National Welfare Fund in favour of the workers
- The situation of women's health is heart-rending, and the sufferers from the situation are in the thousands. With the aim of providing some relief to the suffering sisters, GEFONT has established a Working Women Assistance Fund, and has started providing medical support to the concerned after the Fourth Congress. This Fund will be strengthened & mobilised and as an emergency relief fund, a new scheme will be launched in this tenure for all GEFONT members

#### **4. Programme of Women's Leadership Development and Gender Equality**

The state has, policy-wise and constitutionally, established women's right to inheritance and descent. All discriminatory laws have accordingly been annulled, a law enacted against violence against women and at least one-third representation of women made mandatory in all organs of the state and society. It is, thus, mandatory to have one-third participation of women in all sectors of employment, with rights, benefits, respect and payments equal to male counterparts. In this respect, a policy has been proposed to form a GEFONT Women's Committee to replace the Central Women Workers Department formed in 1992, and include all members of the Committee as ex-officio member of GEFONT National Executive Committee. The Committee will implement various activities, including committee formation and mobilisation, to expand and intensify the campaign of gender equality.

#### **5. Campaign for Single Unionism**

It is a long felt necessity that there should be a unified campaign that mobilises all workers at all levels to build an integrated movement for workers' rights and welfares. For this, the slogan of 'one union, one voice' should be further amplified. GEFONT has, for the last 7 years, been an active promoter of the 'one union' campaign.. To make the campaign more effective, a set of joint programmes will be developed on the basis of a common code of conduct. The programmes will focus on institutionalising the Joint Trade Union Coordination Centre (JTUCC).

#### **6. Labour Law and Labour Commission**

The government of Nepal has started the process of reform in existing labour legislation to make laws relevant to the present context. The proposed law

should, as per the principle of 'one act multiple rules', cover all workers, irrespective of whether they are organised or unorganised, whether they are in formal or informal sectors, and whether they belong to private-joint ventures or industries operated through national-multinational investments.

Similarly, as provided for in the Interim Constitution, a tripartite effort is being made to form a National Labour Commission. In this respect, efforts should be made to ensure that the Commission is independent and powerful, enjoys the authority of a quasi-judicial body and has the aim of ensuring swift and easy justice to the workers in relation to labour disputes.

## **7. International Relations and Foreign Employment**

Under this the following will be done.

- a. Continue the ongoing campaign for the formation of 'One International Centre' to build 'unity' out of the 'diversity' now prevailing in the world trade union movement. Such unity would be based on the principle of 'plurality' and 'diversity'. GEFONT to initiate active efforts to make it's role effective in ITUC and Take necessary measures to expand the role of GEFONT-affiliated unions in the Global Union Federations.
- b. The government of Nepal has entered into labour agreements with various countries with a view to increasing the scope of foreign employment. GEFONT will organise necessary campaigns, including awareness raising events, to ensure that labour migration for this purpose is safe and secure, and that all workers are paid and treated as stipulated in the agreement.
  - Efforts will be made to increase the role of diplomatic missions to promote the welfare of migrant Nepali workers

- Formation of GEFONT support group to organise migrant Nepali workers
- Expansion and establishment of bi-lateral relations with trade union centres in destination countries
- Implementation of various awareness programmes targeted to migrant workers

## **8. Youth Participation in Union Movement**

Under the theme of 'youths in social service' the following will be done under this:

- Holding of a national youth labour conference
- Formation of youth committees in various structure of GEFONT
- Formation of youth committees in each level of affiliates
- Implementation of creative extra-curricular activities for mobilisation of youths who are in employment

## **9. Research, Publication and Dissemination**

The following will be focused on under this theme.

- Undertake research on various issues of concerns of the workers, and publish their findings
- Regularly publish the following:
  - Shramik Khabar (Workers' News)

- Trade Union Rights
- Shramik Mahila (Women Workers)
- E-News Bulletin
- Other publications those necessary for labour education
- Use of web-site, audio-video and print media for information dissemination
- Regular interaction with news media
- Regular update with media of GEFONT's information dissemination

## **10. Economic Self-Reliance Programme**

- Development and implementation of mechanisms to collect membership fees and thus to make the members' contribution effective
- Take active measures to generate sustainable incomes through the special committee on Investment Management and Promotion



ANNEX 2

## Resolutions adopted by the Congress

### 1 On Labour Relations

#### *Congress Realises:*

The Labor relation is the reflection of the conflicts and negotiations between the employers and workers. Generally, we suppose to manage it in four ways. First, is the tough class struggle between workers and employers generally described as "Tiger and Goat" relation negating each other and no negotiation. Second is the relation between workers and employers as oppressed and oppressors, where the liberation of workers is not possible without removing the fear from the mind of the oppressed employees, where oppressors should come to compromise and negotiate with oppressed. Third is the assumption of support to each other by employers and workers as labour investors and capital investors to be understood as the concept of codetermination in German industrial relation. The fourth is the surrender of workers to the employers.

In Nepal we can describe the difference of interest of these two groups as following:

#### **Employers' emphasis**

Discipline  
Productivity  
Demand and supply of products  
Work  
Individual bargaining  
Employers blame Workers as lazy

#### **Workers' emphasis**

Motivation  
Incentives  
Implementation of labour standard  
Decent Work  
Collective action  
Workers blame employers as exploiters

#### *Congress declares,*

From the previous practices it is proved that the process of collective bargaining based on enterprises have not been fruitful and effective. In the process of collective bargaining, the role of the trade union federations should be

decisive. It will be more practical & effective if the plant level units of trade union Federations play the role to solve the problem in local level and monitor and pressurise to implement national level collective bargaining agreements. In order to create uniformity in Labour market, industrial bargaining system should be based on sectoral trade union federation of national level. Hence we should establish a system of dialogue on local issues by plant level trade unions, national level bargaining by federations and policy discussion by confederations.

In order to solve the labor disputes quickly and fairly, constitutional and powerful National Labour Commission should be formed and effectively operated in functioning. The Commission should be formed under tripartite consensus, appointed by the president of the Democratic Republic Nepal.

***So the Congress appeals-***

all Confederations of Joint Trade Union Coordination Centre to play the role jointly in these issues.

## **2 On Agendas of Social Transformation**

Generally Trade union Movement is struggling for four Rights- Right to Work, Right to Wages, Right to Equality and Right to Freedom. These are all inter-related issues in the process of transformation. Political, Economic and Social conflict can be addressed by only Social transformation. The main objective of social transformation is to ensure access with equity and justice in power, opportunity and resources for all citizen by re-structuring state-society-economy .

***Therefore this congress appeals,***

- to mobilise all federations and structures to make women's role more effective in the process of Social transformation.
- To launch the movement against all kinds of abuses and social discrimination also in coordination with right activists of outside the trade union movement.
- To build awareness among working people for socialism as the goal where the society will maximize dignity and justice to the working people.

**3 On Issue of Unification between GEFONT and CONEP**

***This Congress comes to the conclusion***

- Confederation of Nepalese Professionals and GEFONT are the trade Union centres established and developed in two separate background and historical need. Professionals working in the Public services and Public enterprises in CoNEP and workers from enterprises of private investment, manufacturing, agriculture and other sectors in GEFONT are active independently. These two organisations are moving ahead in similar political/ideological vision.
- The context has changed along with the establishment of Loktantra. The historical need now is the single confederation instead of separate go-ahead.

***Congress pays emphasis***

- To fulfill the historical demand, and to establish by merging two mainstream confederations into one large & completely "New Confederation".

- This will be the Unified confederation of all trade unions who represent all professional and working class people and organize all who accept the policy and programme.
- “New Confederation” will be the organization “of working class”-for working class’-by working class free from any pressure /influence of government, employers, economic, religious and other outside forces. This Confederation should be committed to go into lobbying/advocacy work to ensure the fundamental rights and dignity and to initiate/lead creative & pressurising activities.
- This Confederation should be committed to unite all and to form the single Union as “Joint umbrella of Trade unions”.

#### **4 On Agenda for Single Union**

*The congress rememorizes* that the character of the state is still capital-tilted and not in favour of workers, so the congress indicates towards the need for,

- equal treatment to and balanced behaviour with labor and capital by changing the nature of the state
- access of working class in the policies, programs and national budget of the state.
- one voice of worker and coordination among trade unions for labour market agenda.
- lead nation-society-economy to move forward for workers-oriented socialism with full determination.
- To develop the foundation for single trade union confederation.

***And hence the Congress,***

- reemphasizes to develop Joint Trade Union Coordination Centre as the wider, powerfull and active umbrella of trade unions.
- endorses proposed Code of Conduct to run Joint trade union coordination centre.
- appeals for effective implementation of agreements among the confederations in the initiative and involvement of our organization.

**5 On Global Economic Crisis, National Energy Crisis and Employment**

The global economic crisis is the visible outcome of the offensive activities of the modern capitalism and casino-capitalism. The crisis in US starting from the financial and banking sector developed as global economic crisis and victimised working class of the world by creating employment crisis. In the name of bail-out, National Governments of the world are pouring resources to business bosses by misusing the revenues collected from the citizen & working people.

***This congress requests*** to mobilize the Bail-out funds directly to the workers who are suffering from unemployment and appeals for go ahead in consultation & coordination with International & regional trade union centres and blocks, Global Union Federations and national cetnres of Trade uniuons.

***The congress warns*** that the steps taken to solve/manage this crisis ignoring the role of trade unions will not be effective.

***The Congress urges*** to the state and political parties to be serious and take initiatives to protect Nepali migrant workers from the threat of extreme

difficulties in foreign employment caused by global economic crisis. The congress also appeals the state and political parties to be sensitive towards declining import and export, closures of enterprises and also the energy crisis in the form of scarcity of petroleum and electricity load-shedding. Due to the electricity cut-off of 96 hours a week, not only industries but also the general public & working people are facing extreme difficulties.

Government declared the electricity-crisis but did nothing to solve this problem. Even though the production possibility of electricity is 8800 Megawat but we are producing only 356 megawat. Total demand is 500 mw in the morning, 430 mw at day-time and 770 mw at night. The demand is further increasing by 10% annually. But due to the leakages, only 286 mw is in actual consumption and is affecting adversely the production, economic activity and employment.

***The Congress warns*** state, civil society and political parties to implement the commitments and not to limit in the lip service by continue to ignore economic agenda and the issue of economic equality.

***Therefore the Congress demands for,***

- protection of workers within the country and migrant Nepali workers abroad from global financial crisis,
- solve the energy crisis immediately,
- initiate Schemes to create massive employment,
- announcement of social security and social protection package for workers and immediate implementation both in the formal and informal sectors of employment.

*The Congress appeals* to employers' organisations not to misuse this crisis as an opportunity for lockout and dismissal of workers and should resolve the problem from social dialogue with trade unions.

## **6 On Environmental Problem**

*The Congress expresses concern over:*

- Different forms of pollution , imbalance of human being with nature caused by high population growth and climate change are the serious problem of the world community. Trade Union movement and Trade union organization cannot be indifferent with these problems which affect adversely the lives of the working population. Deforestation, drinking water problem, flood, global warming, climatic change and various epidemics victimise the working people first.

*This congress urges -*

- to the Working class to be careful and aware of increasing adversities on their lives, employment and health caused by environmental crisis.
- to the State and Political parties to launch researches on environmental problems and climatic change and initiate necessary steps in time to minimize the ill-effects.

## **7 On GEFONT and Political Parties**

There are diverse views on relationship between political parties and trade unions. Some political parties are of the view that policies as well as leadership of the trade union under their fold should be decided by the party itself, whereas some think that there should be no relation between party and unions.

Some parties think that trade union should act within the range of broader party policy with independent organizational functioning involving both party members and non party members.

**GEFONT believes** – instead of patronage relation or apolitical behaviour, fair will be support and opposition based on merits & demerits of the political parties and to criticise, warn and oppose accordingly. GEFONT denies the behaviour of opposing the political party in power & support the party in opposition in order to show the union 'revolutionary' and of supporting party in power & ignore party in opposition in the name of practicability.

**Therefore the Congress declares -**

The Trade Union organization should move together with the political party having similar ideology, vision and goals as the partner. GEFONT respects the members' right to vote, support & criticism any political party and expresses its commitment to extend the hegemony of working class by convincing the members and non-members on our vision, mission and goal.

## **8 On the Forthcoming Constitution**

**This congress -**

Highly Recognizing the mandate of Nepali people expressed time to time through historical struggle, demands for following issues to be included in the new constitution which is going to be issued on behalf of sovereign Nepali people:

- end of social, economic and cultural discrimination.
- press freedom with fundamental Human rights and trade union rights



- strengthening adult franchise, periodic election, republican democracy and competitive multiparty system based on the unity of Nepali people on the ground of liberty & equality.
- independent judiciary based on constitutional supremacy and rule of law.
- federalism with local state and central governance.
- inclusiveness based on class and gender-caste/ethnic-region
- strong national economy based on three pillars of public, private & cooperative ownership.

***The Congress Appeals*** to new National Executive Committee to mobilize entire labour force for timely declaration of new constitution in order to move towards our long-term goal of **dignified, prosperous and creative life of the working class**.

***The congress emphasizes -***

Right to

- decent life by prohibiting the death sentence
- freedom of speech and expression;
- freedom to assemble peacefully and without arms;
- freedom to form political party or organisations;
- freedom to form unions and associations;
- freedom to mobility in every part of Nepal and to practice any occupation/ profession, or any industry or trade.

Constitutional guarantee should be ensured

- No discrimination shall be made against any citizen on the ground of religion, race, sex, caste, community, origin, language or ideological conviction or any of these

- No special privilege to any with the exception of positive discrimination by law for the protection, empowerment or advancement of the woman, Dalit, indigenous, madhesi, peasants and workers.

Ensure the right of Equality to every citizen through

- appropriate housing
- basic health service free of cost
- free basic education service
- right to of employment without discrimination
- allowance to senior citizen, pregnant women, Differently able person and the insurance system for workers.

Congress expresses commitment,

For right against exploitation, against Trafficking in human being, slavery or serfdom and against force labour.

Right to proper work practice.

- Strict prohibition to work and negotiate below the minimum wages fixed by Labour Act.
- Prohibition to work in industries, mine or armed force, and to use in war to the children below 18 years.

***Congress reaffirms the right of,***

- every worker to form trade union, to organize and collective bargain
- strike as an effective tool in labour disputes.
- “Equal wages for equal work” between woman worker and male worker.

- right of social security to every worker covering both formal and informal sector.

***The Congress puts Emphasis on,***

- son and daughter have equal right to their ancestral property right of reproductive health and realated matters.
- prohibition of every form of violence and punishment by law.
- every child should have right to his or her name /identity , nutrition and basic health.
- everyone shall have right to access on quality goods and services.

***The Congress opines,***

- governance should be based on federalism and inclusive in nature
- president shall be the symbol of national unity and nationality.
- executive power should be vested on directly elected prime minister.
- two tier legislative in the centre and single legislative assembly for province and local level.
- three tier governance system in Central, provincial and local level and four tier judiciary- Supreme Court, Provincial court, District court and Local court.

***The congress gives emphasis on,***

- fifteen percent reservation for workers' representative in representative bodies in both House of Parliament in central and provincial and local bodies.
- civil and labour rights with trade union representation made compulsory in all policy-decision bodies.

***The congress demand for the formation of,***

- National Labour Commission as the constitutional body to resolve all kinds of labour disputes.

***The congress instructs:***

The newly elected National Executive Committee to play vital role to ensure Labour Rights including right to social security, workers' representation in every policy-decision bodies and to form National Labour Commission.

## **9 On Special Economic Zone**

***The Congress observes the motive behind SEZ,***

- With increasing Globalization, the Governments of various countries on economic agenda as a key element to increase economic growth rate, to attract FDI and smooth functioning of productive activities.
- 'Hire and Fire' to workers in line of using contract labour and to strictly prohibit protest rallies, strike and other trade union rights.
- To practice labour flexibility without any protection measures for workers is increasing in the name of SEZ

***The attention of the congress is attracted towards:***

- Special economic Zone (SEZ), Export Promotion Zone (EPZ), Tourism Promotion Zone (TEZ) which are being initiated to establish by the Government of Nepal, in the context of tax and tariffs is in favour of employers with tax-rebate, Licensing and export-facilitation.
- A powerful Board has been designed by the government without representation of workers, with full rights to decide wages, health, security,

working hours, welfare and to prepare the manual to hearing & solve labor disputes.

***Therefore the Congress declares,***

GEFONT should oppose the decision of the authorities without consultation to the trade unions and GEFONT should take stand on following points in relation to SEZ:

- Not only the right to work and wage but there should be the right to decent work.
- Declaration of ILO on the "Fundamental Principles and Rights at Work", Convention No. 29 & 105 concerning bonded labor, Conventions 87 and 98 concerning Freedom of association and Right to bargain collectively, Conventions 138 & 182 concerning elimination of child labour and worst form of child labour and Conventions 100 & 111 concerning ensuring discrimination of wages between male and female and prohibiting discrimination based on Caste, Gender, Political ideology, origin or nationality.

**10 On 20th Anniversary of GEFONT**

The year 2009 is the year of 20th Anniversary of GEFONT and hence the Congress gives instruction to newly elected National Executive Committee to celebrate 20th Anniversary with grand programmes.

## ANNEX 3

## JOINT TRADE UNION COORDINATION CENTRE (JTUCC) Code of Conduct 2008

### Definition

Joint Trade Union Coordination Centre (JTUCC) is a high level committee of Nepali Trade Unions formed by Nepal Trade Union Congress - Independent (NTUC-I)<sup>1</sup>, General Federation of Nepalese Trade Unions (GEFONT), All Nepal Trade Union Federation (ANTUF)<sup>2</sup>, Confederation of Nepalese Professionals (CONEP), Nepal Trade Union Federation (NTUF), National Democratic Confederation of Nepalese Trade Unions (N-DCONT), and Federation of Nepalese Progressive Trade Unions (FENEPT) on December 1, 2007. The high level committee comprises of 21 members – 3 each from all the Trade Unions with compulsory involvement of the president and one woman member. The committee also includes one representative from the network of women trade union committees. JTUCC is the joint Trade Union Centre formed with the sole objective of identifying workers' genuine issues, developing policies, making coordination among Trade Unions, and forming a joint voice to address their issues.

### Objectives

- To develop a joint concept of Trade Unions for common minimum labour agendas.
- To promote joint work among all the national Trade Union Centres and to resolve disputes and misunderstandings if any through dialogue and mutual agreement.
- To develop fundamentals for the unified Trade Union movement.

1 The unification of NTUC and DECONT in March 2008 resulted in the formation of NTUC-I.

2 The unification of ANFTU and ANTUC in 2008 resulted in the formation of ANTUF

### **Ideals, Values and Norms**

- To adopt the core principles of peace, democracy, socialism and democratic republic.
- To organise workers of various nature and ideologies, and to work jointly for social transformation with focus on workers' protection and promotion.
- To be committed to pluralism, pro-worker politics, individual freedom, democratic norms, fundamental human rights and Trade Union rights.
- To adopt the non-violent policy of militant movement, to end unfair labour practice through social dialogue, and to establish good labour relations.

### **Political and Ideological Aspects of JTUCC**

- JTUCC will focus to form a free, dynamic, pluralistic, and democratic Trade Union, staying afar from the traditional practice of one party-one union and the patronisation of political parties.
- JTUCC will work jointly with political parties as partners on national issues.
- JTUCC will include all trade unions which agree with the commonly adopted policies and programmes.
- JTUCC will support and raise voice for and against political parties on the basis of their merits and demerits.
- JTUCC will ensure individual rights to have ideological freedom and rights to choose a political party.
- JTUCC will play a responsible role as a supreme body to form and implement policies and programmes. (Freedom to every trade union organization to conduct trade union activities will be secured.)

### **Action-Oriented Policy**

Actions will be focused with mutual agreement on the following labour agenda:

- To work jointly to establish and implement the rights to decent work.
- To protect the rights to social security and to collaborate to timely revise Labour Laws and Trade Union Act to implement the Trade Union system as per the norms and values of the New Constitution.
- To work jointly to establish the fair wage system instead of poverty wages.
- To collaborate in the process of writing constitution so as to protect labour rights, democratise the workplace and to ensure workers' representation at all levels of the state.
- To work jointly for ratification and implementation of International Labour standards.

### **Working Procedure**

- **Leadership**

JTUCC will be led by the Presidium of JTUCC affiliated Trade Unions. Any formal programmes will be chaired in agreement.

- **Secretariat**

A secretariat office will be set up in the central office of JTUCC. Staffs will be appointed to operate day to day administrative activities.

- **Decision making process**

Important decisions in the labour market will be taken by JTUCC and



operation of organisations and decision making will be done in agreement or in succession.

- **Meeting**

Generally JTUCC meetings will be held every 3 months or sooner than that as per required. The meeting will be chaired in agreement or in succession.

- **Dispute Resolution**

In case of any dispute at local level, joint initiation will be taken to resolve it locally. If it could not be resolved locally, it will be intervened by JTUCC.

- **Financial Arrangement**

JTUCC will have its own bank account. The fund will be collected from:

- contributions of every national centre for JTUCC operation,
- budget allocated for labour rights programmes by government,
- technical cooperation from international communities for capacity development and other special programmes,
- fund raised from other sources,

## Structure

- Joint Trade Union Coordination Centre (JTUCC) will be the central body.
- Sub-committees can be formed as per requirement.
- Affiliated federations will be free to form their councils for joint work.
- Joint industrial councils to represent all the workers of similar nature of job can be formed.
- JTUCC can be extended to regional levels as per requirement.

# Unity for Transformation

Direction of Nepali Trade Union Movement

Those who have been enjoying their rights have control over power and resources. Those deprived of their rights are also denied an opportunity to access power and resources. Unless this socio-economic pyramid is altered, Nepal's economy does not undergo transformation. The essence of transformation is to end the existing social order that protects the interest of those powerful exploiters, and establish a new order that provides social justice and protection of rights to all, not least the marginalised and oppressed.

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printed in nepal by **gefont**

Gefont Publication 109

