



Nepali Trade Union movement

BRAVING THE CHALLENGES

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(Study Report)

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MS Mouse Putalisadak, Kathmandu

Published by

General Federation of Nepalese Trade Unions (GEFONT)

P.O.Box 10652, Putalisadak

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Acknowledgement

3F-United Federation of Danish Workers

Price: NRs 500.00

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ISBN: 978-9937-1-6289-0

GEFONT Book No.: 152/2024

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Acronyms and Abbreviation

3F	Fagligt Fælles Forbund
ANTUC	All Nepal Trade Union Congress
ANTUF	All Nepal Trade Union Federation
C 190	Convention 190
CBA	Collective Bargaining Agreement
CDO	Chief District Office
CGI	Corrugated Galvanised Iron
CLAC	Central Level Advisory Committee Labour and Social Studies
CLASS-Nepal	Labour and Social Studies, Nepal
COVID-19	Corona Virus Deases of 2019
CPN (Maoist)	Communist Party of Nepal (Maoist)
CPN (UML)	Communist Party of Nepal (Unified Marxist-Leninist)
CUPPEC	Centra Union of Plumber's, Painters and Electric Workers
DECONT	Democratic Confederation of Nepalese Trade Unions
ECD	Early Childhood Development
EI	Education International
EPZ	Export Processing Zones
FAWN	Federation of Agricultural Workers
FGD	Focused Group Discussion
FNCCI	Federation of Nepalese Chambers of Commerce and Industries
FNCSI	Federation of Nepalese Crafts and Small Industries
GFBTU	General Federation of Bahrain Trade Unions
GSG	GEFONT Support Group
GUF	Global Union Federations
HAN	Hotel Association of Nepal
HIV/AIDS	Human Immunodeficiency Virus and Acquired Immune deficiency Syndrome
HRCT	Hotel, Restaurant, Catering and Tourism sectors
ILO	International Labour Organization
INSEC	Informal Sector Service Centre
ITWAN	Independent Transport Workers Association of Nepal
JTGWUN	Jute, Textile, Garment and Carpet Workers' Union of Nepal

JTUCC	Joint Trade Union Coordination Centre
KCTU	Korean Confederation of Trade unions
KII	Key Informants Interview
KTUF	Kuwait Trade Union Federation
MOLE	Ministry of Labour and Employment
MoU	Memorandum of Understanding
MP	Member of Parliament
NABUN	Nepal Beautician Workers Union
NATU	Nepal Auto-Mechanics Trade Union
NCC	Nepal Chambers of Commerce
NEC	National Executive Committee
NEVA	Nepal Health Volunteers Association
NHWEU	Nepal Health Workers and Employees Union
NIGWU	Nepal Independent Garment Workers' Union
NIHWU	Nepal Independent Hotel Workers' Union
NIWU	Nepal Independent Workers' Union
NLA	National Labour Academy, Nepal
NMC	Nepal Medical Council
NNTA	Nepal National Teachers' Association
NTUC	Nepal Trade Union Congress
OSH	Occupational Safety and Health
PABSEU	Private and Boarding School Employees Union
PAPAD	Professional Association for Peace And Democracy
PMEP	Prime Minister Employment Programme
PPEs	Personal Protective Equipment
TUCGEP	Trade Union Committee for Gender Equality and Promotion
TUN	Teachers' Union of Nepal
TUPI	Trade Union Policy Institute
TWAN	Trekking Workers' Association of Nepal
UNITRAV	Union of Trekking, Travel, Rafting and Airlines workers
WCOTP	World Confederation of Teaching Professionals
WHIN	Whole Industry Trade Union, Nepal

Executive Summary

Background

On 8 November 2023, the Danish Trade Union '3-F' organised a regional meeting of South Asian partners in Kathmandu. With the aim of exchanging experiences and lessons learned, the meeting focused on the state of unionisation to empower workers and their influence over working and living conditions in South Asia. GEFONT assigned the responsibility to its thinktank organisation, GEFONT-Trade Union Policy Institute (GEFONT-TUPI), for the presentation of Nepal's experience.

'Our Rights are Denying!' was the theme set by GEFONT for the May Day of 2023. The meeting decided to conduct a study to explore the question of 'how the rights are being denied'. This report is the outcome of the task assigned during the meeting.

Focus of the Study

The study delved into the history of trade union movements in Nepal, spanning seventy-seven years. During this period, the movement survived three different 'political systems.' Each political system transformed the mode of production and subsequently production-relations as well. To manage the 'three-political systems,' 'three production-relations,' and 'three different types of labour-relations' in this period, the 'Three-Labour Acts' were enacted by replacing the existing ones. The first labour act was enacted thirteen years after the initiation of the trade union movement. Following the continued struggle for almost half a

century, thirty-one years after the dissolution of the first elected parliament, new labour laws were passed in the parliament elected in 1991, addressing crucial issues such as ‘freedom of association and the right to collective bargaining.’ These laws have basically laid the foundation for labour relations, covering various aspects of employment terms. However, the discussion was largely centralised around the debate of ‘permanent/temporary’, overlooking the broader implications of globalisation, changes in production patterns, and their impact on production-relations. It became evident that the existing legal provisions were not sufficient to address these challenges. A new issue emerged, focusing on ‘labour market flexibility versus social security.’ The discussion on this topic garnered significant attention. Among the issues raised by the trade union movement, social security remained a major concern.

The political system changed again with the promulgation of the new constitution in 2015. The constitution incorporated some demands of the labour movement as fundamental rights. Subsequently, various laws were enacted to implement these fundamental rights. In the world of work, to maintain a rational balance between ‘labour flexibility and social security,’ the parliament passed the Labour Act 2017 and its inseparable law, Contribution-based Social Security Act 2017. These laws have addressed almost all the demands raised by the labour movement.

The study identified that despite significant achievements over the past seven decades, workers’ rights are currently under threat. Various processes are being initiated to gradually restrict rights under different pretexts. The encroachment on rights primarily occurs through three processes: non-implementation of constitutional provisions (constituting a violation of the law), manipulation of administrative decisions and court orders

impacting service facilities, and selective application of laws mentioned in the statute but not effectively enforced in practice (constituting a non-operation of the law).

The labour relations, aimed at achieving stability through the principle of 'the more social security, the more labour flexibility', are becoming increasingly unbalanced due to growing 'emphasis on flexibility' but a concerning 'indifference towards social protection.' Therefore, this study has been conducted with the aim of contributing to the identification and formulation of the future agenda for trade unions.

Conclusion

The study has provided clear insights into the challenges being faced by the Nepali workers concerning their rights, employment opportunities, service conditions, and security. It has highlighted the risks confronting the workers due to non-compliance with the law, misuse of power, and the ongoing process of gradually restricting rights.

This study highlights the importance for unions to celebrate their achievements, create pressure to ensure the implementation of these achievements, and address upcoming challenges to shape the agenda of future movements. It emphasises the importance of involving the 'intellectual community' to articulate narratives supportive of labour movements and working people.

The report is considered valuable for various stakeholders, including the government, policymakers, political parties, employers, and trade unions.

Objectives, Methodology and Process of the Study

Part One

1.1 Objectives

Nepali 'world of work' has come a long way as an outcome of the years of struggle. Achievements are reflected in the constitutional and legal instruments on matters related to new labour relation. A hope by the stakeholders was to institutionalise the constitutional provisions related to labour which is the outcome of the seven decades struggle established through new Constitution promulgated by Nepali people on 20 September 2015. It was expected that Nepali society will not go backwards from the economic and social point of view. From the first general election held after the new Constitution, new robust government was formed on 16 February 2017 under the leadership of CPN (UML) President KP Sharma Oli.

When Tank Prasad Acharya was the Prime Minister of Nepal in 1956, all components of civil service and planned development had to be prepared. Almost in the same way in 2017, Prime Minister Oli had the responsibility to implement the fundamental rights and to prepare the necessary physical infrastructure and legal arrangements for the operation of three levels of government (local, provincial and federal) under the new system. In the labour sector, as promised by the government, the process of increasing wages, implementing an action plan to end unemployment through Prime Minister's Employment Programme and maintaining an appropriate rational balance as envisioned by the two inseparable laws: labour market flexibility and the protection of workers' employment began.

Before the start of the covid-19 pandemic, the economic growth was over 7 percent. Even the officials of the international financial institutions present at the investment conference mentioned Nepal as 'Rising Star' in terms of the emerging economy of South Asia.

But while the internal political strife was going on, the Oli-led government was unconstitutionally removed on 13 July 2021 by the verdict of the Supreme Court. After that, political instability started again like during the interim periods.

Afterwards, the process of curbing the acquired rights (achievements) of the workers in a planned manner has started under various pretexts. The attack on rights is happening through three processes:

1. **Disobedience to the law** by not allowing or not implementing the Constitution, laws, regulations/guidelines and agreed matters.
2. **Curtailing of rights** in a declared or undeclared manner or postponement of service facilities enjoyed through administrative decisions and court orders.
3. **Non-implementation of provisions** in practice or narrowing the laws already framed.

The seven decades long trade union movement, the transformation after 2006, the new constitution and the two inseparable acts framed in 2017 were to strike a balance between ‘labour flexibility and social security’. It was also called the process of “formalising the entire labour sector” or the process of “formalising the informal’ sector.”

However, since the ‘imbalance between labour flexibility and social security’ has been systematically increasing in the six years of the Act’s implementation, this study has been conducted to determine the future agenda of the trade union identifying the specific issues.

1.2 Methodology and process

1.2.1 Data collection methods

This study is based on the qualitative approach. Out of the five parts, the first part presents a purview of the Nepali trade union movement, its history, difficulties it faced and its achievements.

For this, various reports published by trade union organisations, professional organisations, national/international, governmental/non-governmental organisations interested in the labour movement,

universities and independent organisations involved in research have been reviewed and analysed.

1.2.2 Selection of participants by areas and focused group discussion (FGD)

Required information was collected and verified through layers of focused group discussions in the places where the labour movement is concentrated. The places were Jhapa and Biratnagar in Koshi Province, Bara in Madhes Province, Makwanpur and Kathmandu valley in Bagmati Province, Pokhara in Gandaki Province and Butwal and Nepalgunj in Lumbini Province.

The selection of participants was objective-based following a purposive sampling technique. For example, construction, manufacturing industry, education, transportation, health, hotels and other tourism sectors, etc., have been carefully represented.

Qualitative analysis was done in two ways: First, focused group discussion and second, interview with the targeted persons (key-informant interviews).

1.2.3 Issues of focused group discussion

Discussions with selected individuals focused on the strengths, problems, complexities and challenges before and after the framing of the Labour Act 2017 and the Contribution-based Social Security Act 2017. In this respect, focused group discussions were conducted among 138 trade union leaders from the federal and local levels who are leading the respective trade unions in the formal and informal labour sectors.

In addition, information were also collected through interviews (key-informant interviews) with officials from employers' organisations including Confederation of Nepalese Industries-CNI, and especially with personalities having long experience in labour movement. Similarly, representatives of some big companies, officials of social

security fund, experts of labour research centre and lawyers working in the field of labour were also consulted to cross-verify the data.

The information collected and obtained through above methods and procedures were classified and analysed as (a) state of social security, (b) curb on service charges, (c) efficiency of labour administration, (d) attack on trade union, (e) situation of labour law enforcement, (f) situation of employment promotion, (g) foreign employment, and (h) the problems created by the laxity of labour laws.

The analysis mainly focuses on changes in the production relations with changes in the political system. Its 'impact-analysis' has been done through a comparative study of the four political systems including the interim one as well as by review of the constitution, policy-judgment, and 3 labour laws.

1.2.3 Strengths of the study and its limitation

The researchers involved in this study were experienced in the similar researches but with limited exposure on labour movement. Therefore, there is less possibility of mixing 'bias' in the analysis. Although its analysis is not based on a numerical sample (quantitative design), the researcher's point of view can be reflected in the results.

This study does not cover the information from those going abroad for foreign employment and those in the Karnali and Sudurpaschim Provinces.

Trade Union Movement for Democracy

Part Two

2.1 Background

The first organised Trade Union movement in Nepal commenced on 4 March 1947. The Trade Union movement was suppressed by the then autocratic Rana regime, accompanied by an announcement of a “reform” plan. However, the anti-Rana movement did not halt; instead, it escalated further. At the pinnacle of the movement, the labourers of Biratnagar retaliated against the Rana regime by converting a tractor into a tank. This event marked the historic political transformation of 1951. With this political change, the All-Nepal Trade Union Congress (ANTUC) was established.

In December 1960, a coup d'état by the autocratic monarchy dethroned the first popularly elected government, resulting in the banning of all political parties and mass organizations. The so-called Party-less Panchayat was announced under the leadership of the absolute monarchy. The political upheaval led to the demolition of the organisational structure of the newly established Central Trade Union; however, the movement persisted at the local levels.

After 19 years of prohibitions, a new structure of the Trade Union Movement was formed nationwide through general strikes in Balaju Industrial Districts in November 1978 and the strike of 25 thousand labourers on the East-West highway in March 1979. The New Trade Union Organisation - Nepal Independent Workers' Union (NIWU) was established in industrial states. Similarly, in the transportation sector, the Independent Transport Workers Union of Nepal (ITWAN) was also established. This marked the commencement of the second 'edition' of the Nepali Trade Union Movement.

During the period when the Party and all people's organisations were prohibited, the primary focus of the trade union movement cantered around the Freedom of Association and the right to Collective Bargaining. In addition to this fundamental demand for the transformation of production relations, the trade union movement adeptly incorporated various workplace issues. Following a decade

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of political fluctuations from 1979 to 1989, the General Federation of Nepalis Trade Unions (GEFONT) was formed on 20 July 1989. GEFONT played a pivotal role as a coordinating umbrella for all trade unions, providing the decisive momentum to the ongoing people's movement. Structurally, as a Confederation, GEFONT was the first experiment among mass organizations in Nepal. The establishment of GEFONT was crucial in itself, and following the political changes of 1990, it set the direction for the entire trade union movements.

In 1992, a new Labour Act was introduced, marking a significant milestone. This act served as the principal instrument for achieving noteworthy milestones until the launch of the new Labour Act in 2017.

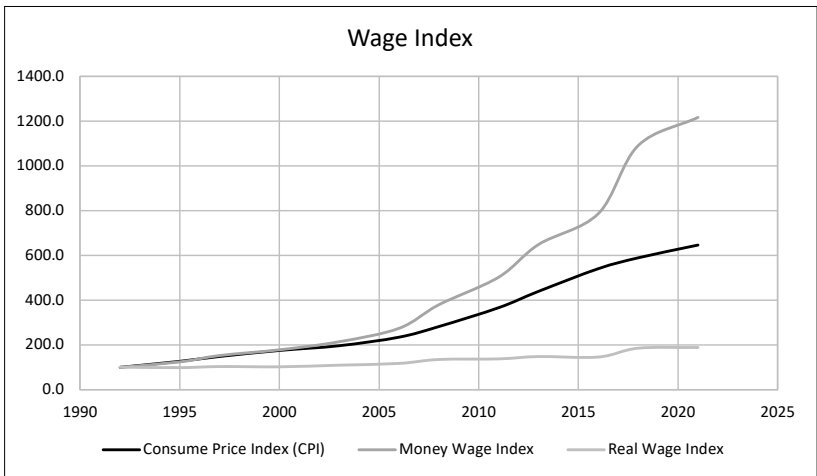
Setting aside the aspects of competition and conflict, nearly six years after the political transformation of 2006, the Nepali Trade Union Movement has adeptly navigated its issues and demands. From an organisational perspective, trade unions have expanded their reach to include the unionisation of non-traditional sectors. The influential organisation of teachers working in community schools in Nepal, considered a milestone in the country's progressive and democratic movement, has been actively involved since the 1979 movement. GEFONT's presence has notably expanded among women health volunteers, private hospitals, nursing homes, beauticians, home-based, and domestic labourers. The activity of trade unions extended to security labourers and outsourced labourers during this period.

To reinstate democracy, political activities were organised in foreign countries, including India. During this period, formal recognition of trade unions was validated in the civil service. Furthermore, trade unions organised teachers and non-teaching staff of private and boarding schools, in privately-owned banks/finance institutions, civil aviation, communication, and publication houses. An innovative and unique initiative was experimented with by organising migrant Nepalis working in foreign countries under the GEFONT Support Groups from 1995. The journey of the trade union and its increasing membership in Nepal is unique. “While there has been an international decline in trade union membership, it is a pleasant surprise to see the opposite trend in the developing world. The case in point is the success of Nepal in increasing trade union membership...” (K. C., 2013).

During this period, programmes focused on mass media were initiated, with the primary motive being to ‘glorify labour’ and reform the social images of unions. The weekly radio and television programme ‘Labour and Creation,’ launched by GEFONT, stands as an exemplary endeavour. In a six-year span, this programme strongly influenced labour news, gaining rational space from broadsheet newspapers to TV and radio, providing visible evidence.

Regarding wage increments, the basic salary scale of labourers was frequently reviewed during this period. Despite internal competitions, the unified efforts of unions ensured that the real wages of labourers did not drop below the base (consumer price index) during that period. The 10 percent service charge demanded by workers in the hotel, restaurant, and tourism sectors for 25 years came into effect during the same period.

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(Source: GEFONT,2022)

The issue of the Social Security System, its nature, and launch, which had been under discussion since the inception of the Parliamentary System, came into effect. An agreement in principle was established to form the contribution-based Social Security Fund and implement its various schemes. Additionally, there was an agreement to ensure an 11 percent contribution from labourers and a 20 percent from employers to the Fund.

A policy-level agreement was reached to scientifically regulate Labour Relations. Furthermore, a tripartite agreement was made

to formulate and review labour-related acts, laws, and regulations as a comprehensive package. Whether labourers work regularly or casually, in industry or unorganised sectors, in formal or informal labour sectors, whether permanent or temporary, on a contract, daily wage basis, casually hired, piece-rate, or outsourced—the aim was to substitute the Labour Act of 1992 and encompass all these categories. The issue of labour flexibility was compulsorily linked to the social security system, and all the contradictory acts, regulations, and directives related to reviewed labour laws were included in the amendment proposal.

The demands of labourers can be categorised into two sets: right-based and interest-based. A policy-level agreement was made to address right-based demands through a robust labour inspection system, while interest-based demands were to be addressed through collective bargaining. During the first four years of the Constituent Assembly, all the Trade Unions in the nation reached a consensus on the demands of labourers as summarised in four major parts: ‘right,’ ‘commission,’ ‘representation,’ and ‘protection.’ Consequently, it is a remarkable achievement of the movement to state that not only the right to labour and employment but also the 31 fundamental rights enumerated in the constitution were enshrined.

With the due implementation of the new Labour Act of 2017, the labour relations that existed after the 1990s underwent significant changes. To appreciate the present achievements, the Nepali Trade Union has creatively led movements at different times in the nation (**Annex 2**, “Our World of Work: A Glimpse”). Over 77 years, the Nepal Trade Union movement has played a leading and constructive role in numerous major movements to transform the mode of productions, alter production relations, and maintain labour relations (Summarised in **Annex 1**, “77 Years: Impactful Major Movements”).

Box: 1, Some Representative Movements, Demands and Results (in brief)

Date	Demand, Movement and Result
1 Sep 1988	The Textile movement commenced in Kathmandu at the initiation of NIWU to address the demands of the labourers in the Textile industry of the Kathmandu Valley. Some of the demands were partially addressed during the 45-day-long strike. The movement helped break the monopoly of the employers, and NIWU's influence extended in entire Textile industry.
10 Jan 1990	GEFONT called on different industries nationwide to submit their charter of demands to their respective industries. In response, workers in various enterprises submitted a 17-point demand in the industrial corridor of Bara-Parsa. The strike was initiated when the management failed to initiate negotiations to address these demands. There was a police crackdown against the strikers. Despite the police suppression, it contributed to the expansion of NIWU. Anti-panchayat sentiments were aroused among the labourers.
12 Apr 1990	A hunger strike was staged by shutting down all factories in the Balaju Industrial District. It resulted in the reinstatement of almost all the dismissed union workers involved in the movement. All workers at the Balaju Industrial District were made permanent, and a half-day work on Fridays came into effect. This sparked a wave of making workers permanent in industries throughout the nation. The reinstatement of dismissed union leaders greatly attracted labourers to the union, and as a result, NIWU successfully maintained its influence throughout the country.
4 June 1990	TWAN organised its first-ever Press Meet outside the country in Hong Kong, publicizing the 84 Points' demands of labourers, which included insurance for trekking workers and a wage increment. TWAN warned that if the demands were not addressed, there would be a general strike during the trekking season of the year. As a result, the demand for life insurance for trekking workers was met, and a wage increment was implemented. This strategic move expanded the popularity of the Trekking Workers Association of Nepal in the tourism industry. TWAN, now known as UNITRAV, remains equally popular among workers to this day.

Date	Demand, Movement and Result
26 Nov 1991	<p>The Nepal Independent Garment Workers' Union (NIGWU) submitted its 13 Points' demands to all the garment factories across the country. In the preliminary stage of the campaign, it exerted positive pressure on the entrepreneurs. The union reached an agreement to increase the wages of the labourers, and the process began to make them permanent. This marked the first centrally conducted negotiation in the garment industry. As a result, a strong union was formed in the garment sector.</p>
6 Jan 1993	<p>The Transport Act was issued on 6 January 1993. Right after the issuance of this act, the Independent Transport Workers Association of Nepal (ITWAN) declared a nationwide agitation by publishing various steps with 24 points' demands. It demanded job permanency and the provision of accident insurance of Rs. 50,000 for drivers and conductors. The association fixed the date as 14 April 1993, for an indefinite transport general strike and issued an appeal to all transport-related workers to join the strike if their demands were not addressed. Among the campaign programmes, 'Blowing-Horn' of vehicles in front of the Chief District Administrator's Office became popular and impressive.</p> <p>The pressure of the campaign worked well, and as a result, an agreement was reached between the government and ITWAN just before the deadline on 12 April 1993. A joint signature on the agreement was concluded between the Secretary of the Ministry of Labour and the President of ITWAN. Earlier, drivers faced punishment based on the Civil Code; however, after this agreement, the government agreed to add a separate provision in the Transport Act. The Act was amended on 25 August 1993, based on the agreement. ITWAN succeeded in legitimizing the rights to organize in the transport sectors. This sent a strong message that ITWAN was the only organization representing workers employed in the transport sector nationwide. The impact of this action was long-term for the country. The movement was so powerful that the news of the agreement was broadcasted on Radio Nepal, the only radio station at that time. Additionally, Nepal Television, the only TV station of the time, had a live telecast of the President of ITWAN's address. This movement significantly contributed to elevating ITWAN to the next level.</p>

Date	Demand, Movement and Result
20 Dec 1997	<p>The demand for a 10 percent service charge in hotels and HRCT sector, an issue raised since the 1980s, was once again submitted. Various events were set to fulfil this demand. On 21 December the Ministry of Labour formed a three-membered Task Force to work on the matter. During the discussions in the Task Force, the Nepal Independent Hotel Workers Union (NIHWU) presented a proposal that was agreed upon by the NTUC affiliates of the HRCT sector. As a result, NIHWU became the champion of the 10 percent Service Charge issue, gaining popularity in hotels and restaurants. The joint movement of hotel workers began in 1997. Against this, entrepreneurs filed a case in the Court of Appeals to prohibit strikes in the HRCT sector. However, the court rejected their claims. Despite this, they misused their power and influenced the government, leading to the imposition of the Essential Services Act on hotels and restaurants, prohibiting strikes. After a long struggle spanning 25 years, the 10 percent service charge was finally implemented in the hotel and tourism sector on 1 January 2007.</p>
1 Oct 1999	<p>When the 14 Points' demand was not agreed upon at the Nepal Battery Company, a strike was announced, which is most likely known as the longest strike in the history of companies. The demands included issuing appointment letters specifying the service, wage, and facilities of the workers and staff, as well as eliminating discrimination between general labourers and officials and administrative staff of the companies.</p> <p>On 5 April 2000, a Tribunal was formed under the leadership of the Secretary of the Judicial Council, Mr. Kashi Raj Dahal. The Supreme Court and the tribunal banned discrimination and clarified the provisions of work permits as outlined in the Labour Act. It was explicitly defined who could take part in collective bargaining.</p> <p>The company filed a writ petition before the Supreme Court against the decision of the Dahal Tribunal. On 25 July 2000, the Supreme Court rejected the writ. The Supreme Court's verdict curtailed the trend of significant differences in facilities enjoyed by so-called higher personnel compared to general labourers in the company. This verdict has become a precedence in many enterprises.</p>

2.2 Trade Union Movement, Transformation and Process of Production Relation and Labour Law

There is a profound interrelationship between politics, socio-economic systems, and the production system. Politics stands as the central manifestation of the economy, and the economic system serves as the foundation of politics. The nature of the system can be assessed by the quality of the relationship. In the context of political economy and the production system, the evaluation is conducted through the analysis of the mode of production, production relation, and labour relation, recognising their interdependence and potential mutual impact.

These factors are intricately interrelated and have the capacity to influence one another. The mode of production determines the form of production relations, encompassing ownership, control, and power dynamics. Production relations, in turn, impact labour relations, and the organisation of production affects the power dynamics and inter-communication between employers and workers. Furthermore, labour relations can influence the mode of production, with labour disputes and collective actions having the potential to alter ownership and control, ultimately transforming the mode of production itself.

Politics leads movements, and movements bring about change, disrupting existing systems and creating new conditions for economic systems. To stabilise these changes, new systems often necessitate the creation of new laws, which, in turn, contribute to maintaining the status quo. Any deviation from the status quo activates politics once again, giving rise to movements and turbulence in the established order.

After the collapse of a previous system, the legal relationships established by its laws often become obsolete. Therefore, with a change in the system, new legal arrangements and provisions are introduced through amendments to existing laws. In Nepal, similar processes have been adopted to manage labour relations with the influx of industrial workers.

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In Nepal, the organised trade union movement is in the process of completing 77 years. Between 1947 and 2024, the union movement has witnessed four political (governance) systems: the autocratic rule of the Ranas, the party less Panchayat system under absolute monarchy, the multi-party parliamentary system with constitutional monarchy, and the current federal democratic republic. Each movement arises due to economic-social exploitation-oppression left unaddressed by the contemporary political system, leading to the creation of a new system. The management of labour relations continually evolves through discussion, debate, contradiction, and resolution over new legal arrangements.

For example, 77 years ago in Nepal, when the first organised trade union movement began, political repression, economic exploitation, and social oppression were the primary issues. At that time, according to Late Juddha Bahadur Shrestha- the representatives of shareholders of the mills, labour laws were non-existent, working hours were unregulated, and minimal wages were paid. There was absolute authority for managing directors, and hiring and firing workers had no set rules.

The movement at that time focused on demands such as an 8-hour workday, subsidised prices for essential items, and a proportional increase in wages relative to rising inflation. The movement also advocated for “trade union rights,” touching on aspects of the

profession and changes in the system. The debate centred on whether the Bengal Award or the Katihar Award should be considered as a benchmark (Rimal, 2000).

The trade union movement of 77 years ago played a significant role in bringing about a change in the political system, marking the end of over century-long autocratic Rana rule. However, it took around a decade to complete the political transition, during which no legal provisions could be attained in the sector of changing production relations and stability. The debate between the Katihar Award and the Bengal Award got ignored. With democracy and constitutional monarchy, the economic system faced dilemmas about whether to stay in the feudal production system or move ahead. The newly formed trade union movement also split between the then Soviet bloc-led International Trade Union centres - World Federation of Trade Unions (WFTU) and the International Confederation of Free Trade Unions (ICFTU) formed by the Western world. The law to manage labour relations had to wait until the first general election after the first political change.

Every change brings about achievements in terms of rights attainment. However, after the momentum of the movement diminishes, there tends to be a gradual encroachment on those rights. The government elected from the first general election utilised its “right to make laws” by issuing the “Factories and Factory Workers Act-1959” on 29 June 1959, as an example. Before the law’s implementation, a coup d’état against the elected government occurred, leading to significant cuts to all rights, including the right to form a trade union. Subsequently, some provisions of that law, only partially implemented (15 December 1961), were published in the gazette to be effective in certain districts. A decade after the partial implementation of the law, trade union movements began to organise again at the local level. From 1972 to 1975, sporadic labour strikes and other movements in Biratnagar created an environment for the movement at the national level. Evaluating the intensity of the movement, the then government implemented

The trade union movement of 77 years ago played a significant role in bringing about a change in the political system, marking the end of over century-long autocratic Rana rule.

the amended law from 19 June 1978 (**Annex 3**, Comparisons of three labour act).

Between the labour strike in the Balaju Industrial Districts in October 1978 and the strike in Hetauda Textile Industry on 1 February 1990, there were about three dozen labour agitations. These movements, in favour of political change, did not demand the implementation of the 1959 Act; rather, they demanded its abolishment. Labourers began to defy the law and the system, making “Black Law Repeal” the flag of the movement. With the Panchayat regime already pressured to organise the referendum, workers forced the government to implement collective bargaining and their right to organise practically, which was considered illegal earlier.

In 1990 AD, the absolute monarchy was confined within constitutional frame, ending the party-less system and reinstating a multi-party parliamentary system. With the change in the political system, demands for the repeal of repressive laws and the introduction of progressive legislation rose. Efforts to address labour issues began with the election of a new parliament in 1991, with the initiative taken by GEFONT. NTUC (Nepal Trade Union Congress) had not even taken shape till that time, and the ANTUF was in a divided state, viewing class struggle as not progressing through legal means. The role of the ANTUF was deemed irrational due to its limited theoretical knowledge and practical experience, with leaders of the GEFONT

movement focusing more on what they shouldn't do rather than what they should do. GEFONT presented suggestions for the basis of new labour relations. They included:

- » Every worker, irrespective of their profession or business, should be entitled to the fundamental right of forming trade unions.
- » The privilege to establish trade unions should extend across all sectors, encompassing private, public, and governmental domains.
- » Governmental and employer should hold exclusively social dialogue with the most representative trade union. The Collective Agreements must hold legal validity.
- » Participation of non-workers in unions at the workplace should be prohibited, curbing the influence of fake (yellow) unions in social dialogue.
- » Systematic and periodic social dialogue must be established to address issues concerning rights and interests. In cases where management resists dialogue and collective bargaining, the use of strikes should be a viable tool.
- » Legitimate strikes should be backed by legal provisions, ensuring wages and facilities during such periods. The employer's right to impose a lockout against legitimate strikes should be nullified.
- » Terms and conditions of employment should be clearly outlined, discouraging arbitrary termination or work restrictions based on individual discretion. Employers should be prohibited from disavowing their workers during labour disputes, promoting formalised employment.
- » Employers must regard their employees as equal social partners, putting an end to the practice of master-slave behaviour through legal measures.

The role of the ANTUF was deemed irrational due to its limited theoretical knowledge and practical experience, with leaders of the GEFONT movement focusing more on what they shouldn't do rather than what they should do. GEFONT presented suggestions for the basis of new labour relations.

- » The prevalent exploitation in labour due to contracts and casual employment must be mitigated by transitioning to regular employment. The probation period should be brief, and workers in this phase should attain permanent status promptly.
- » Permanent workers should be entitled to the same facilities as their counterparts within the public enterprise, including pension benefits.

With these considerations in mind and contemplating the oppressive labour relations of the previous regime, the government of the newly established political system was urged, right from the first parliamentary session, to enact a new labour law that aligns with the principles of the new political structure. However, there was a noticeable arrogance within the majority and a lack of sensitivity towards the labour movement in the nascent government. The prevailing sentiment among the newly formed authorities was that the opposition might exploit the new laws for their gain if promulgated. Consequently, there arose a need for intervention amid the confusion surrounding the presentation of labour-related bills in parliament.

In response to this, GEFONT devised a strategy to introduce private bills pertaining to labour in the parliament through its then Director General and the then MP Mukund Neupane. Highlighting the

necessity of three labour-related bills, registration numbers 8, 9, and 10 were submitted on 21 August 1991, at the Parliament Secretariat.

- a) **Industrial Relations Bill 1991:** Recognising the necessity of sound industrial relations for the country's industrial progress, the maintenance of industrial peace, prevention of industrial disputes, and the establishment of appropriate mechanisms for peaceful resolution, the Industrial Relations Act of 1991 has been presented.
- b) **Trade Union Bill 1991:** To properly register and operate Trade union organisations in Nepal, providing workers with the right to organize and protecting, supporting, and promoting the rights, interests, and facilities of their class, as well as facilitating their empowerment, the Trade Union Act 1991 has been presented in the form of a bill in parliament. The bill aims to regulate the registration, recognition, and comprehensive control of trade unions, empowering workers' strength towards the country's greater interests and promoting healthy development in industry, commerce, and industrial relations.
- c) **Labour Bill 1991:** Recognising the necessity to establish a fair, secure, and humane system of employment for workers in Nepal, and desiring to promote industrial peace and development through regularizing their relationship with employers, the Labour Act 1991 has been presented in the form of a bill to ensure and safeguard the rights and interests of workers in a legal manner.

With the political changes in 1990, the landscape of industrialisation underwent a significant transformation. A new environment gradually emerged, fostering growth in industry and business. Rapid implementation of globalization of capital and structural adjustment programmes characterised this period. In the world of work, the influence of the "market empire" continued to strengthen,

With the political changes in 1990, the landscape of industrialisation underwent a significant transformation. A new environment gradually emerged, fostering growth in industry and business.

while protectionist measures in small economies like ours were swiftly dismantled. These global shifts had a profound impact on the development of new laws, making the dichotomy of “market-directed versus state-administered” a pivotal issue in political economy.

At that time, the trade union movement in Nepal was relatively nascent, lacking the extensive international contacts seen today. The majority of experiences were drawn from Indian practices, which themselves were often subject to scrutiny. In India, legal provisions allowed the formation of unions by a group of seven people at any workplace, with a minimum of three employing there. This system had the potential to give rise to pseudo or yellow unions. In response, GEFONT incorporated a provision in the Trade Union Bill to restrict outsiders, explicitly stating that “only employees employing in the enterprises could become members of union at workplace.” The intention was to establish a law that would ensure trade unions were operated for workers, by workers themselves, rather than being manipulated by politically inactive individuals seeking to create “broker” unions or unions controlled by “labour-aristocrats”. The focus was on empowering workers to control and manage trade unions for the benefit of workers.

In essence, the expectations for the law to be enacted in 1992 aimed to address the following issues, in comparison to the law of 1959:

- » Enact the Trade Union Act to guarantee legal recognition of the right to organise.
- » Enact the Industrial Relations Act to grant legal recognition to the right of collective bargaining.
- » Enact Labour Act to ensure legal recognition of rights and interests based on employment types, conditions, and facilities.

The new bills discussed above, passed by Parliament, have been enacted as the Labour Act of 1992 and the Trade Union Act of 1993. The Labour Act of 1992 reflects labour relations in a multiparty system, replacing the Factories and Factory Workers Act of 1959, working to stabilise labour relations in the subsequent period. The Trade Union Act of 1993, supplementary to the Labour Act of 1992, is still in force. The implementation of the Labour Act of 1992 has brought significant changes to the labour sector, expanding the scope of employment and evolving the structure of work. Countries have opened up for foreign employment, leading business owners to choose between fair and unfair labour practices. Those adhering to fair labour practices enforce minimum legal requirements and provide basic service facilities, while those engaging in unfair labour practices create disruptions and complications.

The Labour Act 1992 was in effect for more than two decades, during which the government, led by the Nepali Congress, implemented a “market-based policy,” while the first elected government of the Communist Party implemented a “public welfare policy.” This period witnessed attempts to idealise politics and acceptance of any distortion or inconsistency for power. Even during its popular period, the elected government was brought down with the help of a Supreme Court verdict. The decade-long Maoist violent conflict, beginning unexpectedly, continued for a decade, and the constitutionally bound monarchy executed a royal coup against the elected parliamentary

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system. It took another decade to manage the ramifications of all these political developments.

Before the Labour Act 1992 was replaced by the Labour Act 2017, extensive debates, discussions, arguments, and controversies in Nepal's world of work persisted for over a decade. The government led by then-Prime Minister Sher Bahadur Deuba proposed amendments to the labour law to allow employers to hire and fire workers at will. However, this proposal faced strong opposition from the unified union movement. The monarchy, after the coup d'état, attempted to continue Deuba's government's policy, aiming to legitimise 'fictitious' unions, which ultimately failed. Finally, the Nepali Trade Union movement succeeded in establishing that the issue of labour laws is only resolvable through mutual agreement between the representatives of the workers and the employers with the facilitation of the government (**Annex 4**, Decade long exercise for Labour Reform: A timeline).

An ongoing debate regarding the rigidity of labour law between employees and employers necessitated making the law more flexible. The debate emphasized that workers should not be treated as commodity and called for both secure employment and social security. To address these concerns, a middle ground was found as a seven-point agreement reached between trade unions and employers' organisations on amendments to labour laws. Further elaboration on

these seven points was done to 19 points during the Second National Labour Conference (GEFONT, 2004). The summary of the seven-point agreement follows here:

- a) **Social Security:** There is no unified system of social security. Although provisions for gratuity, savings funds, and pensions are made for workers in various laws, as well as in some government-owned enterprises, their effective implementation is lacking. Provisions for social protection, such as sick leave, maternity leave, accident and disability compensation, and life insurance, are currently being partially utilised by workers. The trend of informalizing workers is rapidly increasing. There is a lack of well-organised offices for long-term accumulation of funds, such as provident funds. Maternity protection facilities fall below the standards set by the ILO and are unequal. Provisions for medical treatment expenses are lacking. Overall, Nepali workers in both formal and informal sectors lack social security. Therefore, the social security system should include all informal and formal labour sectors, cover all geographical areas, and accommodate different pay scales. A unified social security fund needs to be established to ensure that current benefits are not compromised and no extra burden is imposed on the existing contribution rate.
- b) **Labour Flexibility:** (a) No legal control, (b) No control by labour administration/courts, (c) The labour market should be based on market demand and supply and be professionally voluntary.
- c) **Exit Policy:** When the company merges, faces losses, or the industry is in deficit, when new technology is implemented, when a part is closed, and when the establishment is dissolved or closed, labour downsizing should be allowed.
- d) **Gender Issue:** There should be no discrimination in employment, services, opportunities, and facilities based

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on gender. The policy of equal pay and benefits for equal work should be genuinely implemented. Gender-based violence must be prevented, and discriminatory laws should be amended, modified, or repealed. Since there is a national consensus on the 10 gender issues set by Trade Union Committee for Gender Equality and Promotion (TUCGEP), they should be put into practice (**Annex 8**, 10 gender issues on the agenda set by TUCGEP). It is worth noting that among these 10 points, a study was conducted regarding the end of discrimination. Based on its recommendations, 85 different discriminatory laws were amended within 2008.

- e) **Labour Administration:** Labour administration must be made impartial and effective. Efforts should be made to strengthen labour administration so that it oversees all labour-related matters such as labour inspections, workplace inspections, and monitors labour administration. The labour court should deal with issues related to labour justice. The labour court should be strengthened so that labour justice is provided faster. The formation of labour service groups and the continuous provision of manpower specialization in labour administration are necessary tasks.
- f) **Trade Unions and Collective Bargaining:** There should be a provision for Compulsory Trade Unions in all labour sectors. The implementation of a check-off system and the adoption

of a periodic election process for authentic unions are essential. Collective bargaining processes should be adopted at the enterprise level, industry level, and national level on a regular, periodic, and mandatory basis.

- g) **Informal Labour:** The registration of all wage earners and self-employed workers in the formal and informal sectors should be initiated, and all types of labour should be formalized.

Box: 2, New Labour Act in Brief

- This Act encompasses the entire scope of employment, including domestic work. It serves as the basic law, ensuring that all employees receive wages and benefits not less than those stipulated in this Act. Any agreement contravening this Act is deemed void.
- All forms of exploitative labour practices, such as child and forced labour, as well as unfair labour practices, including illegal dismissal and workplace discrimination, are strictly prohibited.
- Employment structures are categorised as casual work, time-bound work, task-based work, part-time, and regular work. Regardless of the terms and conditions specified in employment contracts, there shall be no discrimination in wages and benefits.
- Basic social protection measures, such as gratuity, accidental benefits, sickness benefits, and medical coverage, including workers' savings through provident funds, are applicable from the commencement of employment. These provisions extend to trainees and part-time workers.
- Outsourced jobs carry increased responsibility, with the principal employer being accountable for providing all benefits if non-licensee recruiting agencies supply labour to any workplace.
- A provision for transparent work appraisal is outlined in this Act.
- Employment termination is only permissible with valid reasons and after fulfilling lawful obligations. Unlawful termination may result in legal action against the employer. Union leaders are protected during retrenchment.
- The retirement age is raised to 58 years from 55.

To conclude, there needs to be a rational balance between labour flexibility and social security. In the recent trend, the Nepali trade union movement coined a slogan - “The more social security, more labour flexibility!” This notion was addressed as the “Inseparable Law”: the Labour Act and the Contribution-based Social Security Act. Even after these two laws were passed by the parliament, business community insisted that they should be authenticated simultaneously by the President. In other words, as much as the

- Enhanced protections for women workers include
 - a. Transport facilities for women working night shifts.
 - b. 98 days of maternity protection leave, with 60 days paid leave.
 - c. Benefits provided in case of miscarriage of a pregnancy of 7 months and above.
 - d. No gender-based discrimination.
 - e. Strong disciplinary action against gender-based harassment.
- Social dialogue provisions include
 - a. Biennial review of minimum wage.
 - b. Introduction of a common bargaining panel for Collective Bargaining Agreements (CBA) in enterprises with multiple unions.
 - c. Specific timelines for bilateral negotiation and labour office conciliation in collective disputes.
 - d. Emphasis on arbitration in labour disputes with the right for the government to refer cases to arbitration, subject to challenge within 5 working days. Exceptions include essential services, states of emergency, disputes in Export Processing Zones (EPZ), or cases where parties agree to arbitration.
 - e. Collective agreements are deemed equivalent to law for a period of two years and remain valid until the commencement of another CBA.
- Increased leave facilities and paid public holidays, with the inclusion of May Day and 8 March.
- Transformation of the existing factory inspection system into a labour inspection system.
- Inclusion of mechanisms for the enforcement of agreements and judgments.

workers were concerned about the flexible labour laws, business community were more suspicious of the Social Security Act.

After the Constituent Assembly promulgated the Constitution of Nepal in 2015, a new system—indeed, a new era—began. Under this new system, the Labour Act of 2017 was enacted to establish new labour relations. This Act has introduced new arrangements for terms and conditions of employment, service, etc. It has made the ‘labour market’ more flexible, putting an end to the notion of mandatory permanent and lifelong employment.

The Contribution-Based Social Security Act of 2017 has been enacted to mitigate the major negative impacts of flexibility of Labour Act. Being mandatory in all labour sectors, it is aptly termed as the inseparable to labour act. Following the enactment of this act, a debate has emerged on transforming the universal social security enjoyed by regular and government employees into a contribution-based system. The Contributory Social Security Act serves as a remedy to address the issue of the increasing burden of social security expenses in the state without a corresponding increase in productivity. The Nepali world of work has traversed a significant journey from conception to the promulgation of this Act (**Annex 5**, Timeline from Preparation to Authentication of Contribution based Social Security Act 2017).

The Nepali trade union movement has spared no effort in utilising even the smallest opportunities for the benefit of workers. In 2010, the government decided to impose a 1 percent social security tax on the wages of every employed person to alleviate the budget pressure caused by senior citizen allowances (a universal social security as Old-aged allowances). The Nepali Trade Union Movement effectively exerted pressure on the government to create an integrated social security fund using the funds collected from that tax and initiate a ‘contribution-based’ social security system across the entire labour sector. Particularly, the trade union movement under the leadership of GEFONT conveyed to business community that their

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expenditure on regular (permanent) workers is 25 to 33 percent more than those in casual employment. If everyone is to be covered by social security, the union movement is ready to 'share the burden' on businesses. Based on this, the proposed contribution ratio of workers: employers: government is 1:2.5:2.5 respectively. Moreover, the concept of implementing the social security system in a phased manner was endorsed. The Nepali Union Movement is resolute that the formalization of informal labour, as suggested by the International Labour Organization, will be put into practice with the implementation of a contribution-based social security system. This level of advancement in Nepal's trade union movement is unique in South Asia.

The implementation of every labour law relies on cooperation, co-existence, and is expected to foster economic growth. However, as societal expectations and needs evolve, laws must adapt to meet these changing demands. The enactment of the Labour Act and the contribution-based social security in 2017 emphasizes the necessity to amend the Trade Union Act of 1993. A debate has ignited within trade unions questioning the correctness of the current union formation process.

The Trade Union Act-1993 established the method for forming and recognizing trade unions in Nepal. Adopting a bottom-up approach similar to most democratic countries worldwide, it empowered

Box: 3, Salient Features of the Contribution-Based Social Security Act

- The Contribution-Based Social Security Act extends benefits to workers and their dependent family members.
- Entitlement to the benefits of the Social Security Plan is exclusive to contributors. A Contributor as any employee, self-employed person, person under government service, or an individual eligible to receive remuneration from a specific government fund, registered in the Social Security Plan and possessing a Social Security Number.
- Contributions to the Social Security are deducted from contributable income. Contributable income encompasses the basic remuneration amount, before tax deduction, payable on a daily, weekly, fortnightly, or monthly basis due to direct or indirect employment.
- The Act designates an enlisted employer, encompassing a manager in an enterprise, an engaging employee in cases of inter-employee engagement, a recruitment agency for supplied employees, and the Government of Nepal, provincial government, or local level government for individuals under government service or receiving remuneration from the Government's Fund.
- "Self-employed person," is defined as an individual specified under self-employment in a notice published in the Nepal Gazette by the Ministry, based on the Social Security Board's recommendation. The Ministry, on the Social Security Board's recommendation, the authority to include personnel working in specific informal sectors under the definition of an employee.
- The contribution rates, stipulate 11 percent for employees and 20 percent for employers. A periodic amendment of the contribution rate, subject to notification by the Ministry based on the Board's recommendation.
- The Act addresses contributions when salary payments are delayed, allowing enlisted employers to deposit the required contributions on behalf of employees for up to three months. Subsequently, the employer must recover the amount through deductions from remuneration, allowances, or other facilities.
- The Act empowers the Fund to recover contribution amounts from non-compliant employers, with penalties including a 10 percent interest,

freezing of accounts, properties, and relevant licenses, and potential fines or imprisonment.

- The Fund outlines eight types of Social Security Plans, covering Medicare, Sickness Benefit, Maternity Protection Benefit, Accidental Benefit, Disability Benefit, Old Age Benefit, Dependent Benefit, Unemployment Benefit, and other schemes specified by the Fund.
- The Act considers an employee included in the Social Security Plan from the date of enlistment at the Fund.
- If an employer fails to enlist within the prescribed timeframe, the Act allows the Fund to issue orders for immediate enlistment, deposit of total contributions with interest, or payment of accumulated amounts to employees in case of termination.
- The Act introduces additional provisions related to the fund, allowing the Government of Nepal to deposit specified amounts in the Fund on behalf of specified workforce not regularly engaged in income-generating activities.
- The Act mandates employers to enlist within six months of the Act's commencement, and employees enlisted after the Act's commencement should be registered within three months of their employment. The Fund provides a Social Security Number to those enlisted.
- The Act governs the enlistment of employees under government service or those receiving remuneration from the Government Fund, as prescribed by the Nepal Government.
- The Act defines the Social Security Fund as a revolving fund, detailing the collection of various amounts, including contributions, provident fund deposits, and grants received from the government and other sources.
- The Act establishes the Fund as an inalienable, autonomous entity with a successor.
- The Act outlines the composition of the Steering Committee of the Fund, comprising representatives from government bodies, trade union confederations, and employers' associations.
- The Act emphasizes the voluntary nature of Social Security, allowing individuals to reject or discontinue facilities voluntarily.

- The Act permits the Fund to seek assistance from professional or business associations, local administration, and associated institutions when executing actions under the Act.
- The Act outlines the duty of the Government of Nepal to ensure the continuity of the Social Security Plan when the Fund's amount is insufficient.
- The Act clarifies that provisions of the Act and rules framed under it are not affected by provisions or agreements related to collective bargaining.
- The Act, certified on 13 August 2017, comes into effect on the ninety-first day, which is 13 November 2017.

the local committee, granting authority for to handle individual grievances and collective bargaining at workplaces, thereby resisting external involvement in local-level bargaining. In response to the democratic environment in the country, the condition of "compulsory membership of 25 percent of the workers working in the enterprises" was implemented to regulate paper-only unions. While these policies and intentions were sound, their effects were reflected in various ways.

The Act allowed a union to be formed with 25 percent of the members in an enterprise, one central association (federation) of 50 such unions, and one federation (confederation) of 10 such unions. This hierarchical structure aimed to recognize the union's formation from the bottom to the top. The policy encouraged workers, through organized representation by official representatives, to directly negotiate and advocate for their essential needs with management, moving away from relying solely on individual efforts. This approach sought to streamline labour relations and ensure organized bargaining.

However, it resulted in a union structure that was neither thematic nor unitary. Federating, in the general sense, meant allocating less

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authority to the central level and more authority to the local level. Legally, this setup created a situation where those who are weaker or learning had to take on various responsibilities, while experts and experienced individuals were excluded from executive roles (GEFONT: 2008).

In the context of the responsibilities assigned by this Act, complications arise in managing the crucial task of educating the members of the movement and the union. Additional challenges have surfaced for union activists within organizations, including the hassle of arranging paperwork and managing administrative duties. Union leaders are often viewed as a thorn in the side by management, and the presence of yellow unions, where leaders have ill intentions, has found space in organizations. Whether it is an establishment employing thousands of workers or a smaller group of 50 or 60 people, when a limited number of executives oversee the work of the union, the relationship between union leaders and members often resembles a “peasant and farmer” rather than a “comradely” one, conclusion drawn by GEFONT.

While there is a unanimous agreement that there should be one voice, ambiguity persists among existing federations, associations, and local unions regarding who will have the rights and to what extent. There is consensus that trade unions should unite under a single platform, but the ongoing debate revolves around how much authority the common umbrella should hold. There is agreement on the need

Box: 4, Three political system, Three replacing labour laws and Three Production Relation: Brief

The Factories and Factory Workers Act of 1959, followed by the Labour Act of 1992 and 2017, are reflections of the production relations during their respective regimes.

- a) **Period before 1990: Controlled production relations** characterized this period. Workers were advocating for professional 'rights and interests' alongside democratic rights. This era marked the beginning of the second edition of the trade union movement, known as the '**trade union movement for democracy**.' The restoration of democracy was intricately linked with social justice, extending the issue of trade unions beyond mere 'economic benefits' to the change of production relations (mode of production). Consequently, with the political system change in 1990, the old Act of 1959 was repealed, and new Labour Act and Trade Union Act were issued.
- b) **Period before 2015:** Relations with **formal representation** were established during this time, aiming to make democratic rights participatory through formal representation. Efforts were made to establish the belief that workers and employers are equal. The labour movement was mobilized to put an end to various forms of unjust and exploitative labour practices prevalent in the sector.
- c) **Period after 2015:** Relations of **coexistence, cooperation, and dialogue** emerged, especially after the promulgation of the constitution. This phase is referred to as the '**trade union movement in democracy**.' The new production relationship entered the stage of strengthening the state and institutionalizing the achievements of the movement. Consequently, laws enacted after 1990 underwent changes, including modifications to dispute resolution methods. Three guarantees – returns, sustainability, and security – were extended to both the working class and employers. A new labour law was introduced, and a social security system was announced to maintain a rational balance between employers and employees amidst the 'terror' of 'hire-fire' within the framework of a 'flexible-market, protected-labour.' Social security schemes progressed from the formal sector to the informal sector, expanding from domestic to international contexts, covering both wage employment and the self-employed. This strategic shift aimed at ensuring stability, fairness, and protection for both parties involved in the labour market, aligning with the evolving dynamics of a flexible yet secure employment landscape.

for a shared labour agenda, but reluctance remains regarding the establishment of a shared bargaining team at the enterprise level for collective bargaining.

Therefore, there is agreement on incorporating the Trade Union Act-1993 into the package of temporary amendments to labour laws for comprehensive revision or adjustment. However, ongoing debates among major trade unions persist regarding alternatives to this approach.

Trade Union Movement in Democracy

Part Three

A journey after promulgation of Statute

3.1 Expectation, Achievement and Challenge after New Constitution

The Constitution was promulgated on 20 September 2015 as an outcome of the forces for transformation including the trade unions. The following provisions related to labour were included in the Constitution:

- » Every labourer shall have the right to fair labour practice.
- » Every labourer shall have the right to appropriate remuneration, facilities and contributory social security.
- » Every labourer shall have the right to form and join trade unions and to engage in collective bargaining in accordance with law.

These three provisions referred to as fundamental rights are compatible to the International Labour Organization (ILO) Conventions No. 87 and No. 98 (see, ilo.org) and thus are most important. For the first time in the history of Nepal, in the preamble of the Constitution, commitment is made to 'end class-based discrimination and build an egalitarian society based on economic equality, prosperity and social justice'.

Discrimination on any basis is constitutionally prohibited. For the first time, 'workers' have also been included in the list of those to be protected by the state. And, it has been mentioned that special provisions should be kept in the law for the promotion and strengthening of their rights. Special provisions have been made in the constitution to end discrimination on the basis of gender and for equal pay for equal value of work, including social security.

The guiding principle of the state mentioned in the constitution has depicted the character of the country as a 'welfare state'. There is a constitutional commitment to end economic inequality and establish

The demand of the trade union was to develop the trade union as a common platform of the political parties and constitutionally recognize the labour as a separate 'constituency' for the mandatory representation of the labour in every elected body of the state.

a socialist-oriented economic system through the participation of the 'public, cooperative and private sector' in development.

Labour and employment policy has been included in the constitution for the first time as a state policy. In the labour and employment policy, the concept of decent labour, 'fair' labour relations between workers and employers, encouraging investment of income generated through foreign employment in the productive sector are mentioned.

The demand of the trade union was to develop the trade union as a common platform of the political parties and constitutionally recognize the labour as a separate 'constituency' for the mandatory representation of the labour in every elected body of the state. This subject is not included in the constitution. Therefore, the issue of representation continues as an issue that trade unions have to "raise within the political party."

Provisions of the constitution and the arrangements made by the constitution regarding its implementation are noteworthy. In summary it can be stated as follows:

- » **Right to Employment:** To implement this provision of the Constitution, the Parliament passed the Employment Act, which ensures a minimum of 100 days of employment. To implement this guarantee, the CPN (UML)-led government

formed after the general election after the promulgation of the Constitution announced the 'Prime Minister Employment Programme'. According to the number of 'unemployed' persons registered in the Labour Information Centre of each local government, a minimum wage equal to 100 days per person was sent by the federal fund.

- » **Right to fair labour practices:** Parliament passed the Labour Act 2017 for this. This Act banned unfair labour practices and made them punishable by law.
- » **Definition of worker:** The term worker refers to a person who performs physical and intellectual work for an employer for wages. It has made it clear that all workers who perform mental, intellectual and physical labour will be entitled to enjoy the rights given to workers.
- » **Right to fair wages and benefits:** Various provisions have been mentioned in the Labour Act 2017 to implement this arrangement. No employment contract of any nature can be entered into which is less than the minimum wage set by the government. Workers will have the right to collective bargaining for wages and benefits above the minimum wage.
- » **The right to be protected by social security:** To implement this provision of the constitution, the Parliament passed the contribution-based Social Security Act 2017. This Act covers workers employed in all types of employment conditions, be it wage employment or self-employment, domestic or foreign, formal or casual. Its implementation has started from 27 November 2018. In addition, the Social Security Act 2017 was passed to ensure the social security rights of senior citizens, financially poor, disabled people, helpless single women, disabled, children, those who cannot take care of themselves and citizens of endangered castes.
- » **The right to join union and bargaining collectively:** For the implementation of this provision, various arrangements

The term worker refers to a person who performs physical and intellectual work for an employer for wages. It has made it clear that all workers who perform mental, intellectual and physical labour will be entitled to enjoy the rights given to workers.

have been made through the Labour Act 2017 and the Labour Regulations 2018. The Act has given the right to collective bargaining to both enterprise-level unions and trade union associations. The Trade Union Act 1992, furthermore, provides for the registration and operation of trade unions.

- » **Right against exploitation:** Various provisions have been made in the Labour Act 2017 to implement this right. There are many provisions in the Civic and Criminal Code 2017. Apart from this, Human Trafficking (Offense and Punishment) Act 2007 and Kamaiya Labour (Prohibition) Act 2001 are also in force.
- » **Rights against child labour:** Parliament has passed the Children Act 2017 to implement this provision. There are various provisions in this regard in the Civic and Criminal Code 2018. Various provisions have also been made in the Child Labour Prohibition and Regulation Act 2002.
- » **Right to equality:** It is clearly mentioned in the Constitution that there should be no discrimination in social security and wages for work of equal value. Such (discriminatory) provisions in various laws have been amended or repealed to end discrimination and inequality.

The Parliament passed the following laws with on 20 September 2018 to effectively implement these rights guaranteed by the constitution:

- » The Social Security Act 2017
- » The Act Relating to Compulsory and Free Education 2018
- » The Privacy Act 2018
- » The Right to Housing Act 2018
- » The Right to Employment Act 2018
- » Right to Food and Food Sovereignty Act 2018
- » The Public Health Service Act 2018
- » The Right to Safe Motherhood and Reproductive Health Act 2018
- » The Cast Based Discrimination and Untouchability (Offences and Punishment) (First Amendment) Act 2018
- » The Consumer Protection Act 2018
- » The Crime Victims Protection Act 2018
- » The Act Relating to Children 2018
- » The Environment Protection Act (First Amendment) 2019
- » The Act Relating to Rights of Persons with Disabilities 2017
- » Land (Seventh Amendment) Act 2018

Acts formulated on the basis of the draft constitution before the promulgation of the constitution:

- » Labour Act 2017
- » Contribution-based Social Security Act 2017
- » This National Civil Code 2017
- » The National Civil Procedure Code 2017
- » National Penal Code 2017
- » This National Criminal Procedure Code 2017

The Council of Ministers meeting held on 27 May 2018 passed the Labour Regulations 2018. Labour regulations were mandatory for the implementation of the Labour Act. The regulation contains some important provisions of labour market regulation and among them the main provisions are as follows:

- » Every enterprise should conduct a labour audit

The Council of Ministers meeting held on 27 May 2018 passed the Labour Regulations 2018. Labour regulations were mandatory for the implementation of the Labour Act.

- » Payment of labour and other benefits through banks (this will curb revenue evasion and putting an end to the trend of late payment or unpaid work)
- » Provision of 12 days annual leave and 1 day leave per week to domestic workers
- » Mandatory registration with bond to regulate outsource companies
- » In relation to occupational safety and health, the formation of collective bargaining committee along with the formation of OSH Committee, and the provision of industry-wide collective claims process in certain sectors of the industry.
- » Utilisation of Welfare Fund and formation and operation of Labour Relations Committee
- » Equal treatment of migrant workers working in Nepal along with the process of work-permits

Likewise, the Contribution-based Social Security Regulations 2018, which is necessary for the implementation of the contribution-based Social Security Act 2017 have been formulated with the following provisions:

- » Social security schemes, methods of contribution and benefits
- » Enrolment of workers and employers in the Social Security Fund
- » Determining the method of operation of the Fund

- » Appointment and dismissal procedure of executive director and other officers

Along with these legal structures, the Social Security Fund has been formed. At present, Social Security Scheme has been implemented in four areas namely (a) Formal Sector Social Security Scheme, (b) Informal Sector Social Security Scheme, (c) Foreign Sector Social Security Scheme and (d) Self Employed Sector Social Security Scheme.

The then government under the leadership of UML President KP Sharma Oli has implemented the following scheme in the Social Security Scheme Operation Procedure 2018 which was implemented from 27 November 2018 as the beginning of a New Era:

- » Medicare, Health and Maternity Protection Scheme
- » Accident and Disability Protection Scheme
- » Dependent Family Protection Scheme, and
- » Old Age Security Scheme.

These four types of schemes are operated by contributing 31 percent of the basic salary of each worker involved in the Fund. Out of 31 percent, only 11 percent is deducted from the basic salary of the listed workers, the remaining 20 percent is contributed by the employer. Out of 11 percent of workers' contribution, 10 percent is the amount to be deducted for provident fund. The 1 percent was already being deducted as social security tax. The employer must deposit the total 31 percent contribution into the account of the concerned worker of the Social Security Fund Within 15 days of the end of each month. Out of the 31 percent amount collected:

- » 1 percent for schemes related to Medicare, health and maternity protection
- » 1.40 percent for accident and disability protection scheme
- » 0.27 percent for Dependent Family Protection Scheme

Regarding Medicare, health and maternity protection schemes, workers who regularly contribute for 3 months, along with the spouse who are admitted to hospital for treatment receive up to Rs 100,000 per year and if treated without hospitalisation up to Rs 25,000.

- » Total 28.33 percent for old age security scheme; out of this, 20 percent for the pension plan and 8.33 percent for the retirement plan. With this, contributors who have contributed for at least 36 months are given special loan, house loan, educational loan and social work loan.

Regarding **Medicare, health and maternity protection schemes**, workers who regularly contribute for 3 months, along with the spouse who are admitted to hospital for treatment receive up to Rs 100,000 per year and if treated without hospitalisation up to Rs 25,000. Cost of pregnancy test, cost of hospital admission and maternity surgery or treatment, cost of delivery in hospital, cost of treatment related to delivery up to 6 weeks after delivery, treatment expenses for babies up to 3 months and if the patient cannot go to the hospital, they get the facility of consultation with a doctor at home. According to the facility provided by the Labour Act 2017, out of 98 days of maternity leave, 38 days salary (at the rate of 60 percent of the basic salary) is paid by the Social Security Fund.

In addition, contributors continuously for 2 years get treatment expenses up to Rs 1 million in case of fatal diseases such as coronary artery bypass and open-heart surgery, stroke, kidney disease, cancer, Parkinson, Alzheimer, spinal injury, head injury, sickle cell, anaemia, haemophilia or thalassemia. The beneficiaries of this facility will continue to receive medical expenses for 2 years after they stop

contributing and for 7 years after they start receiving old age pension. So far, 158,880 person claims have been made for payment under this facility from the Social Security Fund and a maximum of Rs 60,000 for medicines have been provided. A total of 228 hospitals across the country have entered into service agreements with the Social Security Fund. 72 hospitals are providing direct services under this scheme. Service agreements have been made with 156 hospitals.

Under the **Accident and Disability Protection Scheme**, all expenses incurred in the treatment of work-related accidents or occupational diseases are covered. In case of accidents other than work-related, treatment expenses up to RS 700,000 are also paid. If the treatment is done at a hospital other than the hospital that has an agreement with the Fund, or if the treatment is done without informing the Fund about the accident, the Fund will only bear the expenses of up to RS 700,000.

Contributors who are temporarily or completely disabled due to occupational accidents or occupational diseases are given a pension up to 60 percent of the basic salary based on the percentage of disability. Arrangements have been made to provide such amount to the caring person or organisation. Inflation will also be adjusted in the pension given on the basis of disability. Under this scheme, the beneficiaries have incurred medical treatment expenses of up to Rs 900,000. The total number of beneficiaries is 2,488. Currently 3 people are enjoying disability pension.

In case of the death of the contributor to the **dependent family protection scheme**, the husband or wife or parents will receive a pension of 60 percent of the basic salary throughout their lifetime. Children under 21 years of age will get 40 percent of the amount as educational scholarship. But if the person who gets this facility gets alternative employment or gets married, s/he will not get this facility. In addition, in case of death of the contributor or the beneficiary due to permanent disability, the dependents will get Rs. 25,000 as funeral

In case of the death of the contributor to the dependent family protection scheme, the husband or wife or parents will receive a pension of 60 percent of the basic salary throughout their lifetime.

expenses. So far 427 families have received this facility. There are dependent families benefiting with this facility up to Rs 100,000.

Two subsidiary schemes will be operated under the **Old Age Security Scheme**: (a) Retirement Facility Scheme, and (b) Pension Facility Scheme.

Contributors who started employment after 16 July 2021 will join the pension system after contributing for 15 years. Other workers can join this scheme if they want. Under this heading, as already mentioned, 20 percent of the worker's basic salary is deposited in the Fund. The pension score is calculated by dividing the total amount by 160 by adding the benefits up to the date of retirement to this contribution amount. Inflation will also be adjusted in the pension amount. The contributor will get lifetime pension after attaining the age of 60 years.

Out of the amount contributed to the fund, 8.33 percent of the contributor's basic salary will go to the retirement benefit plan. Apart from this, other voluntary deposits will also be deposited in this fund. If a contributor dies before reaching the age of receiving pension benefits, the total contribution amount including the contribution made to the fund and the return received from the investment of the fund will be given to his/her beneficiaries as a lump sum. This amount can be withdrawn by the contributor even if s/he retires for any reason. So far 63,920 people have taken this facility.

Loan/Advances: Social security fund provides four types of loans namely special loan, house loan, educational loan and social work loan. For this purpose, the Fund has issued the Contributors Compliance Directory 2023. Contributors who have contributed continuously for 3 years will be given a grant to build a new house, grant to add a floor, purchase a new house or purchase a joint housing unit. There is a provision that such compensation amount will be given to the extent of Rs. 750,000 or 15 years of basic salary or the sum of the salary of the remaining period of 60 years of age, whichever is less.

For spouse or children of the contributor, a maximum of Rs 3.5 millions or the actual expenditure, whichever is less, is given as educational loan/advances.

There is a provision that a special loan can be given up to 80 percent of the accumulated amount in the retirement facility scheme. Apart from this, the facility of swapping social work loan from other banks and financial institutions has also been provided.

In addition to this, a contribution-based social security scheme has been implemented since 11 December 2022, covering wage-employed and self-employed workers abroad. Its procedure is specified in the operation procedure (**Annex-6**, Contribution-based Social Security Plan Operation Procedure 2023 for workers engaged in employment and self-employment in aboard).

After the Contribution-based Social Security Plan has started, the Social Security Fund has ordered that the benefits provided by the workers and the dependent families of the workers to the social security fund, based on the application given by the workers and the dependent families of the workers, that the employer is not registered in the social security fund or that the employer is not registered in the social security fund or due to the fact that the contribution amount is not deposited on time, the social security fund has ordered . So far, 34 complaints have been filed. Among them, in 27 complaints under

In summary, labour laws and contribution-based social security laws do not discriminate between Nepali citizens and foreign workers. Even the facilities provided by the Social Security Fund have equally protected the foreign workers. Foreign workers are also receiving dependent family benefits.

the dependent family facility, an order was given as 'provide the dependent family facility'. 4 complaints filed for medical treatment and 2 complaints filed for maternity facilities have been ordered to provide the facilities.

In summary, labour laws and contribution-based social security laws do not discriminate between Nepali citizens and foreign workers. Even the facilities provided by the Social Security Fund have equally protected the foreign workers. Foreign workers are also receiving dependent family benefits.

The Social Security Fund has been operated in an effective manner towards covering a large part of the workforce within a few years. As of December 2023, 18,554 employers and 1,026,724 workers (contributors) have been registered in the Fund. So far, the Rs. 4749.28 crore contributions have been collected while Rs. 685.35 crore has been paid in total. Among the payments, Medicare, health and maternity claim amount is Rs.81.92 crore, accident and disability protection claim amount is Rs.9.29 crore, dependent family protection claim amount is Rs. 11.53 crores and the retirement claim amount is Rs.582.61 crores. Rs. 1 billion 60 crore 20 lakh 50 thousand educational loan and Rs. A total of Rs. 1 billion 61 crore 85 lakh 50 thousand has been inflow from 1 crore 65 lakh house loans.

Box: 5, Social Security Fund and Tax Exemption

- Each year, the Finance Act provides that 1 percent tax is not applicable on the gross wage income of contributors to the Social Security Fund. Workers who contribute to the Provident Fund and Citizen Investment Trust must pay 1 percent tax on their salary income.
- Those who deposit up to Rs 300,000 annually at other retirement-related Fund do not have to pay salary tax. However, those who contribute up to Rs 500,000 annually to the Social Security Fund do not have to pay salary tax.
- According to the provision of Income Tax Act, no tax will be levied on retirement payments up to Rs 500,000 and only 5 percent tax will be levied on payments of more than Rs. 500,000. But if the employer directly pays retirement payments to the workers, 15 percent tax will be charged.
- Even from the point of view of tax payment, when registered in the Social Security Fund, the contributing workers are benefited and not a loss.

So far, 80 informal sector workers and 56 self-employed persons have been listed in the social security scheme of informal sector workers and self-employed persons. Till 18 January 2024, the contribution amount of informal sector workers is Rs. 18,551.78, while self-employed persons collected Rs. 3,67,024.31. However, since this scheme has only started from 11 December 2022, no one has claimed the facility under this till date.

There are shortcomings that need to be removed in the social security system operating procedures, and there are also some ambiguities that need to be clarified. Despite this, the newly established social security system attained by the second edition of the Nepali trade union movement is becoming an epoch-making milestone.

The Nepali Trade Union movement of the second edition remained an active participant in the front lines of the difficult struggles under different regimes. This 'edition' led the movements and struggles in these periods including the Panchayati regime under the leadership of the autocratic monarchy, the multi-party system with constitutional monarchy, the interim periods of the end of the monarchy and the establishment of the republic and the existing federal democratic republic.

Protection of Rights: Struggle for the Balance Between 'Flexibility and the Protection'

Part Four

Findings Obtained from the Study and Analysis

4.1 Information obtained from the study

This study reveals various facets of the diminishing rights achieved by the Nepali trade union movement after nearly eight decades of struggle. It encompasses eight ‘aspects,’ including the initiation of the contribution-based social security system in 2018, the discontinuation of the 10 percent service charge enjoyed by the HRCT sector for the past 16 years—an outcome of two-and-a-half decades of struggle—and the inaction of the law and labour administration, as well as the exploitation faced by those seeking foreign employment. These aspects are presented as follows.

4.2 Attacks on the social security system

The CPN (UML), which led the government in 1994/95, initiated the Old Age Pension in line with the vision of a welfare state. Two and a half decades later, following the formation of the UML-led government, the Social Security was extended to be based on the life cycle. Along with the universal social security provided to childhood and old age, a new system was introduced to ‘provide employment to all in the active age group and contribution on the basis of their earnings’. The government called it the beginning of a new era (*the scheme is discussed in detail in the previous section*). On the one hand, necessary laws and structures were formulated to implement the contribution-based social security system. On the other hand, the Prime Minister’s Employment Programme was launched to ensure the right to employment, guaranteeing at least 100 days of employment or unemployment allowance in a year. The government initiated the provision of free and compulsory education, health insurance facilities in hospitals, including equipment and human resources in all municipalities, and launched the Healthy Nepal programme through an awareness campaign (*it is noteworthy that the government at that time had laid the foundation stone for 396 basic hospitals to be run by local governments on 30 November 2020*). Overall, the government, political parties, the general public and especially the trade unions

Employers and workers were enlisted in the newly established Social Security Fund. The Legal processes were initiated against the employers who didn't register their firms in favour of the beneficiary workers.

were moving in the same rhythm to achieve the national aspiration of 'Prosperous Nepal, Happy Nepali.'

The social security scheme is also a part of labour market reform plans. The concept of life cycle-based social security was implemented to ensure the future of not only those in wage-employment and self-employment but also those who provide employment. Employers and workers were enlisted in the newly established Social Security Fund. The Legal processes were initiated against the employers who didn't register their firms in favour of the beneficiary workers.

As discussed in the background, the Labour Act 2017 and the contribution-based Social Security Act 2017 were implemented simultaneously as a common agenda, addressing the demand of employers' 'labour market flexibility' and the worker's job continuity and the social protection for workers both during their service and after retirement. However, a 'foul play' has recently emerged. A 'conspiracy' has been initiated; driven by vested interests, aiming to undermine the spirit of the welfare state. There is an insistence on implementing the flexible provisions of the Labour Act but avoiding the implementation of the Social Security Act, which protects workers, by making it optional.

Its first target of this was made on the employed workers in the banking and financial sector. A plan was devised to spread false

information, creating confusion among the employed workers initially and undermining the newly initiated social security system. Under the leadership of some employers in that sector, a campaign was launched, referring to the constitutional provision of ‘the will of the people, the will to work’, challenging the mandatory provisions of the constitution, stating that ‘it should be the workers’ voluntary choice to be part of the social security system’ (GEFONT: 2022). Subsequently, through the court, an order was issued declaring the ‘social security system optional’ for banks and financial institutions.

Participants in the focused group discussion of the **industrial sector** (manufacturing industries) have highlighted many complexities in its implementation. Participants in the discussion state that there is mismanagement by the management side in the allocation of the contribution amount to the Social Security Fund, deducted from the basic salary (11 percent), and the additional contribution amount from the employer (20 percent). The misappropriation of this fund has led to exploitation of the workers on one hand, while on the other, it is gradually weakening the fund.

The behaviour of the hospitals designated for treatment is not service-friendly. Numerous complaints indicate that designated hospitals compel individuals to visit expensive laboratories and purchase costly medications from non-refundable sources without providing all the necessary medicines. This undermines the trust of service recipients in the system and management, ultimately resulting in the failure of the plan. Instead of acknowledging legal responsibility for the treatment costs related to accidents that companies have shouldered in the past, they now argue, “This is the responsibility of the Social Security Fund.” On the other hand, participants in the group discussion mention that delays in the reimbursement of medical expenses and, in some instances, insufficient payments have resulted in unnecessary loans. Participants also express concerns about the limited coverage of hospitals designated by the Fund, leading to difficulties in cases of accidents and emergency treatment. In such situations, they note

Numerous complaints indicate that designated hospitals compel individuals to visit expensive laboratories and purchase costly medications from non-refundable sources without providing all the necessary medicines.

that seeking treatment in nearby private hospitals, which are not designated, can be costly, and the fund does not cover these expenses. The union suggests that it would be more beneficial if the medical treatment facility covered the entire family, including at least parents and two children, as the fund currently only provides for husbands and wives and not for other family members (Study Team: 2023). It also highlights some good practices that demonstrate the company's ability to attract workers. One such example is *Dabur Nepal*, which pays its workers 100 percent by supplementing the amount received from the Social Security Fund for medical expenses. The unions and workers at Dabur express happiness and satisfaction, as the company takes on all the expenses and manages the payments from the fund. It also shows some good practices, which show the attraction of workers towards the company. One of them is **Dabur Nepal**, which has been paying 100 percent to the workers by adding less payment for medical expenses given from the Social Security Fund. The unions and workers of Dabur seem happy and satisfied that the company will bear all the expenses and make all the arrangements to pay the money from the fund.

According to participants in the group discussion focused on the **hotel and tourism sector**, the practice of deducting the employer's contribution from the remuneration of outsourced workers has also started. There is a growing trend of employing only daily wage and temporary workers without enlisting them in the Fund. Apart

from hotels, employment is seasonal in trekking, travel, rafting, and mountaineering sectors.

As these sectors are mainly dependent on foreign tourists, there is a significant disparity in terms of employment and income due to fluctuations in tourist arrivals. In these areas, whether wage-employed, self-employed workers, or entrepreneurs, there is a lack of awareness that it is better to be enlisted in the Social Security Fund. Most of the work is done in a 'casual' format, with daily wages around Rs 1,000. They perceive the social security scheme as 'irrelevant' to them.

The participants in the Focused Group Discussion on the **construction sector** state that a large number of workers in this sector, who need

Box: 6, How is the Social Security Fund thinking now?

Contributors of all types are unclear about the differences between the Social Security Fund, the Employees Provident Fund, or the Citizen Investment Trust. It is challenging to explain why the Social Security Fund is beneficial. Although guaranteed by the Government of Nepal, this might be due to the fact that the insurance amount for COVID-19 has not yet been received from the insurance companies. Distrust in government work has also hindered confidence in this fund. There is a fear that the money deposited in the fund by contributors will be wasted. Until this provision was made, some permanent workers in most private sectors did not receive a pension. However, now the question arises, 'Why do you have to wait until 60 years to get your deposited money as a pension?' Some wonder why they shouldn't receive a pension after completing 20 years of service, similar to permanent employees in the civil service. Some people are under the impression that 31 percent of the basic wages deposited in the Fund have been directly deducted from their salaries. Contributing workers think that even the 10 percent accumulated in their own provident fund is wasted, while earlier there was a struggle with employers to deposit the same 10 percent. Many people do not understand the fact that 1 percent of the social security tax imposed by the state has been diverted to the fund for the benefit of the workers. Even the concerned organisations feel that they are not effectively explaining this to their members. Hence, some contributors even raise the question of 'how to run the household by paying 31 percent of the salary to the fund.' They ask if

social security the most, are not involved in any kind of social protection scheme.

The condition of **transport workers** is similar to that of the construction sector. Participants in the group discussion mention that there is no labour law specifically for transport workers. Although the syndicate system has been abolished, only prominent transport entrepreneurs have benefitted from it. Small businesses, self-employed individuals, labourers, and passengers are deprived of benefits. Transport workers have not been able to enrol in the social security fund. They believe that additional regulations or amendments to existing laws are needed to bring them under the purview of the Social Security Fund. The entire

this fund is mandatory. Some participants argue why they are required to seek an invoice by not paying a lump sum of Rs 700,000 as per the law in the case of an accident. Civil service employees are not included in the fund, so they doubt whether the government will take any responsibility in times of difficulty.

Now, the Social Security Fund is facing similar questions and distrust. The 'fake' details submitted by some beneficiaries during the fund's operation have also created problems. For example, there have been cases of attempting to claim payment for the treatment of a sister-in-law in the name of one's own wife. Unexpected issues arise, such as being enlisted in the Social Security Fund only after a complex illness, demanding the cost of treatment done in a different hospital than the designated one. If the amount paid is less than the amount submitted by the applicant, the beneficiaries try to argue, saying, 'Keep your money with yourself'. Additionally, some contributors come to deposit the contribution amount in a lump sum after resigning, and then claim the payment.

According to the decision to include Nepali workers who have gone for foreign employment under the purview of the Social Security Fund, efforts have been initiated to inform them through non-resident Nepali organisations and organisations of Nepalis active in migration to regularise their contributions. Discussions are also underway on how to regularise contributions through various means of sending remittances, such as mobile banking, e-Sewa, and Khalti, but no definite decision has been reached (Study Team, 2080).

transport sector is confused about what was gained and lost after the new labour act came into force, leading to increased frustration.

Only a very small number of **tea garden** workers have been enlisted in the Social Security Fund, with the majority being administrative staff and very few non-administrative workers. The management shows little interest in enlisting all those working in their gardens into the fund. However, occupational safety and health conditions have improved significantly over the past decade. The workers themselves appear indifferent to the use of personal protective equipment.

There is a mixed response in the **education and health sectors**. In the Focused Group Discussion, teachers working in community schools showed more interest in the Education Act and its comparison with civil service than in the Labour Act and the Social Security Fund. Among the teaching staff of private schools, there was a clear dilemma about which act they would be regularised under and which path to take. The sentiment among those working in government and community hospitals, as well as those in private hospitals, is similar. Terms like permanent/temporary, regular/irregular, contract/outsourc, etc., are discussed more than how to bring workers of all kinds under the ambit of social security.

Out of the 16 private hospitals involved in the focused group discussion, only a few of the permanent ones in Nepal Medical College half are engaged in the Employees' Provident Fund, and half are in the Social Security Fund. With the activism of the union, the practice of collective bargaining has started in these hospitals, but there is no regularity. The discussion reveals that both the union and management do not seem to be confident about the positive results of the Social Security Fund in the future.

Focused-Group discussions with **private sector** entrepreneurs' associations, the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), and the Confederation of Nepalese Industries

Only a very small number of tea garden workers have been enlisted in the Social Security Fund, with the majority being administrative staff and very few non-administrative workers. The management shows little interest in enlisting all those working in their gardens into the fund.

(CNI), along with separate interactions with selected individuals, have provided a glimpse of how entrepreneurs are thinking in the current labour market. According to them, workers are not as ready as employers to embrace the Social Security Fund. The government also views the Social Security Fund and the Provident Fund from a different perspective.

The non-inclusion of government employees in the Social Security Fund has raised further doubts among other workers. There is also a problem with the way social security is implemented. Instead of implementing the social security scheme in a phased-wise, the main issue is trying to implement it in all sectors simultaneously. It is natural that those who contribute more would not be allowed to go to the Social Security Fund as they would receive fewer facilities. The Act's provision that the government can modify or scrap any scheme whenever it wants has created an atmosphere of further distrust.

There is a problem in the representation of 'stakeholders' as political appointments are made on the board of the fund. If the government tries to move forward on an arbitrary basis, then an atmosphere of trust will not be created. There is a need to increase the scope of investment of the money deposited in the fund. The plan is not sustainable if kept in the bank, and interest is consumed. The fund should also seriously consider this.

Box: 7, Trade Union Activity ‘Traditional’: ‘Class’, Nepal

The Centre for Labour and Social Studies (CLASS), Nepal, has expressed doubts about the activities of trade unions. CLASS-Nepal has drawn attention to fundamental issues such as the inability to implement rights granted by the law, failure to exert pressure against inappropriate representation in the Social Security Fund, and the inability to enforce minimum wages in all places and workplaces. The government cannot ignore the union if the voice of the unions in advocating for enlisting in the Social Security Fund, ensuring minimum wages, and advocating for a robust labour administration is strong.

The new generation is not supposed to be disorganised, but trade unions are portrayed as “wrong”. People working in mainstream media and social media are responsible for spreading such confusion. Unfortunately, the unions, which should actively counter misinformation, have not paid attention to it. Their activism remains ‘traditional,’ and they are in ‘business as usual’ mode, failing to adapt to the changing situation. As a result, trade unions have become defensive rather than ‘aggressive’ or progressive. Trade union leaders are not emphatically stating that trade unions are beneficial. The media tends to present the problems raised by trade unions from a negative angle, favouring management. Ironically, working journalists themselves suffer from this bias.

Beyond the issue of social security, trade unions have not effectively sensitised the movement toward their ‘larger family’ today. Solidarity is the foundation of the trade union movement, yet workers in one sector often fail to see the suffering of workers in another sector as equal. One of the Social activists stirred the working-class people against the excesses of the Kathmandu Metropolitan City, but some unions that should have spoken up remained silent. Today, the intellectual community is also distant from the labour movement, failing to retain those who shaped the narrative with it.

While the constitution and laws are commendable, the state still falls short in its parental role. With the development of new structures and practices in the labour market, the trade union movement needs to adapt accordingly. The rise of online riders like ‘Pathao’ and outsourcing workers requires a different approach. Even the agriculture sector has evolved, necessitating fresh perspectives. ‘Platform-work’ and ‘IT’ have become significant areas. Although the Labour Act 2017 grants the same rights to all types of workers, including outsourced, the unions seem unable to provide the necessary public information about it.

4.3 Cancellation of 10 percent service charge for hotel and tourism sector

The Nepal Independent Hotel Workers Union (NIHWU), the founding federation of GEFONT, has been advocating for a 10 percent service charge as its primary demand since its inception. Due to the continuous struggle over 25 years from 1982, the 10 percent service charge was implemented in the hotel and tourism sector starting from 1 January 2007. With the introduction of service charges, tips to workers in this sector generally came to an end. There was a qualitative increase in the income of workers as the service charge collected was distributed equally from utility workers to the general manager.

The revenue collection increased after possible revenue evasion from business houses came to an end. Not only did the practice of deducting workers' wages in the name of breakage and losses come to an end, but entrepreneurs themselves consumed 3 percent of the 10 percent collection. The Organisation of Hostellers- Hotel Association of Nepal (HAN), which played a crucial role in making this process sustainable, also benefited from the collections. The allure of employment in the HRCT sector increased, leading to a temporary halt in labour migration abroad.

As labour relations improved, collective bargaining began to address interest demands. In a case filed in the Supreme Court in the name of the so-called consumer group, the court ruled that the agreement between hoteliers and trade unions to impose a 10 percent service charge was in accordance with the constitution and the law. The court clarified that the service charge should be considered as a price and not as a tax, thus should not be viewed as affecting the consumer (Nepal Law Journal: 2064 BS). Based on this decision, a special provision was also incorporated into the Labour Act. During that time, the International Labour Organization (ILO) facilitated the debate on Nepal's service charge by disseminating necessary information to government agencies.

However, on 15 January 2019, the Constitutional Bench of the Supreme Court, without overturning its previous decision, nullified the 10 percent service charge paid to workers in the hotel, restaurant, catering, and other tourism sectors. It also repealed section 87(3) of the Labour Act 2017, and rule 82 of the Labour Rules 2018 (075-WC-0022). This constitutes an offense against workers, committed through the court and based on improper collusion with some employers. In our constitution and law, no decision can be made against anyone without providing an opportunity to be heard. By making this decision, the court has also violated its own established procedure of ‘providing an opportunity to express an opinion.’ Even the precedent set by the Supreme Court, which stated that ‘service charges can be charged,’ has been disregarded. The interpretation of the ruling that “the agreement between workers and employers infringes on the rights of third parties (consumers)” has also restricted the right to collective bargaining.

It has been a year since the Supreme Court’s decision. Despite this, prices have not come down in any hotel; however, hotel workers have experienced a one-third reduction in their monthly income. The



Protesters are tying black bands on their arms to pressure the implementation of a 10% service charge in the hotel and tourism sector.

ruling not only diminished workers' incomes but also restricted their collective bargaining rights. This stands as the most regressive verdict by the Supreme Court against workers' rights in this decade.

In the focused group discussion, union representatives from the hotel sector expressed that the hotel management and hotel association had benefitted as much as the workers from the 10 percent service charge, which was achieved after a significant and historic struggle. The deprivation of this facility for the workers is viewed as a serious attack on their rights and the available facilities.

The employer deciding the price alone raises questions about why the agreement between the worker and the employer cannot determine the price of the hotel's service. This situation is seen as an infringement on the spirit of the Freedom of Organisation and Collective Bargaining Convention No. 98, which Nepal has ratified. Such circumstances have also eroded the self-confidence of workers and unions.

4.4 Inaction of labour administration

The demands of the workers were classified as 'rights-based' and 'interest-based' so that the provisions related to 'rights' could be automatically implemented, and the disputes related to 'interest' could be settled through social dialogue. The issue of 'rights' is fundamental; it is determined through the constitution, laws, regulations, directives, and bilateral/multilateral agreements. It is against the law to declare that rights-related matters will not be given or implemented.

The Labour Act 2017 provides for 'labour audit' to determine whether it has been implemented. Has the minimum wage been implemented or not? Has the agreement been implemented or not? Overall, whether the law has been implemented or not falls under the mandate of the labour audit. It should be led by the labour administration with the involvement of employers and representatives of workers. The labour administration's apathy towards this has curtailed the rights of the workers.

According to the Labour Act 2017, every establishment is required to conduct a labour audit. A labour audit serves as a self-assessment to determine whether all workers are afforded legal protection or not. Additionally, it acts as a mechanism to guide the labour administration in strict implementation in case of any violations of the law (GEFONT, 2017).

Contrary to the continuous demands of the unions, labour offices do not carry out labour audits. There is also no effort to monitor occupational safety and health. In case of a shortage of manpower, representatives of the Labour Relations Committee of the concerned establishment can conduct an audit in the prescribed format, and the labour administration can study and implement it. However, the labour administration has not only ignored this but has also been harassing union registrations and renewals for months, demanding the employer's permission for union registration and withholding registration until obtaining the company owner's approval.

During the course of the study, various focused-group discussions have widely reflected the inaction of the labour administration. After the revision of minimum wages in the manufacturing industries, the wages of workers working below the minimum have been raised to the minimum point, but 'the wages of the workers who are earning more than the minimum wage have not been increased proportionately.' The debate over wage hikes or minimum wage determination is an old one. Previously, the minimum wage was revised first (related to rights), followed by social dialogue (related to interest) to align the salaries of those above the minimum.

At present, there is a growing tendency for collective bargaining not to happen on time and to be avoided. It is demotivating for experienced workers of many years as their wages are at par with newcomers. In some establishments, more injustice has been done by matching the amount of annual grade with the minimum wage. Disputes are often

The labour administration has not only ignored this but has also been harassing union registrations and renewals for months, demanding the employer's permission for union registration and withholding registration until obtaining the company owner's approval.

stalled by giving some incentives or a certain amount of money by verbal consent, without providing a bonus as required by law.

However, companies like Surya Nepal and Himalaya Distillery stand out for their exceptional practice of giving bonuses. In this case, their approach appears to be 'fair.'

Regarding festivals and other holidays, only permanent workers receive paid leave, while all other employees' leaves are unpaid.

With the introduction of the new Labour Act in the hotel and tourism sector, the tendency to dismiss workers by demanding written explanations three times based on minor issues has increased. Especially since the COVID-19 pandemic, management has become more stringent, and there has been no change in the anti-worker demoralizing behaviour even after normalcy was restored.

There is no labour relations committee or occupational safety and health committee in any of the hotels. In such a situation, it is regrettable that the labour administration has turned a blind eye.

Employers should provide the equipment, clothing, personal protective gear, etc., required for mountaineering and trekking-related workers. There is no provision for accident insurance. These workers assess and face potential life risks cautiously, weighing both foreseeable and unforeseeable dangers. The number of workers who

have acquired skills for adventure tourism has steadily declined after COVID-19. As the effects of climate change increase, workers are migrating abroad due to fears of decreasing tourist arrivals and job losses.

Nearly half of the 75,000 porters in the high mountainous region have either changed their profession or left for abroad. From about 22,000, trekking guides have reduced to around 9,000 in the last 10 years. Similarly, the number of tourist guides, which was 4,500 five years

Box: 8, Need of “Wage for Interns Campaign”

Generally, interns studying hotel management graduates are not considered workers, and in violation of the Labour Act, they are instead charged in the name of ‘hotel fees,’ ranging from Rs 10,000 to Rs 20,000. Some exceptions exist; for example, Hotel Himalaya pays Rs 5000 per month as transportation expenses. Basera Boutique Hotel and A-One Cafe pay up to Rs 5,000, including food and snacks.

Basera Boutique Hotel initially provides Rs 4,000 to Rs 5,000 to interns for six months to one year and also offers basic medical treatment during that period. After completing that period, if the concerned intern wishes to continue working, then the minimum wage will be paid. However, even in this case, interns are not linked to social security. There is no deduction in wages for sick leave, and advances are given if required. There is also a provision for tips for interns. They are provided with one-way transport facilities and receive four days of paid leave in a month. Festival expenses are also given to those who have worked for one year. Although there is no formal agreement with the campus or the institution providing training, it appears that the hotel has created an encouraging environment for training and work based on mutual understanding.

The intern students who participated in the discussion said that there is a comfortable and relaxed environment to work. The workers employed here and the management are very helpful in the process of teaching and learning. They expressed that they have learned a lot of practical and technical knowledge compared to the theoretical knowledge gained in college.

It is natural for interns to be employed in hospitals. However, almost all hospitals do not pay any allowance to interns (study team: 2080).

ago, has now come down to around 1,200. It is expected that there will be a shortage of workers in this sector in the future.

Union leaders, from the centre to the local level, complain that **construction** workers have never felt protected by the law. As the construction **industry** has not received the same treatment from the state, the situation has not improved, and it still relies on verbal agreements. Labour problems depend on individual claims and transactions. Therefore, employment is always 'casual,' relationships are always 'informal,' and the situation is always 'unorganised.' The access of unions is inadequate; they reach only where there is a demand and collective bargaining. Unions have yet to reach all construction sites involving big contractors or multinational companies.

However, the wage gap between men and women in equal value of work has been eliminated. This is the result of the union's activism. The practice of employers bearing expenses in case of injury during work has been established through the hard struggle of the union. If there is a significant problem that incurs substantial costs, then workers and employers have to bear it together with mutual consent. In such situations, the union also considers the employer's ability to pay. Usually, agreements are made in such a way that the costs are shared equally.

Although occupational safety and health in the construction sector pose the most life-threatening risks in terms of accidents, the law has not addressed it in a practical way. In places where unions are weak or absent, construction workers still face extreme exploitation. Consequently, skilled and experienced plumbers, electrical workers, and masons are continually migrating abroad. In their place, the number of Indian workers is increasing.

In this context, representatives of entrepreneurs/employer's state, "The government's aim was to focus on job creation, for which a policy encouraging industries should have been implemented. However, this has not occurred. The government's policy of collecting

more taxes from imports has not been able to promote the industry. It appears that our debate has not moved in the right direction, as the industry struggles to find workers and workers struggle to secure employment.”

In terms of working style, the unions are still in a ‘business-as-usual’ situation, seemingly unable to adapt to the changed circumstances. An example from the focused group discussion illustrates this point: “The Labour Act 1990 had designated the office of the Chief District Officer as the place to lodge complaints. In the new Labour Act, the CDO office is no longer the focal point for such work, so the situation is different than before. Previously, contractors would deter workers by saying, ‘Shall I complain to the CDO?’. Now, however, contractors have begun threatening workers directly.”

That is, the union leaders are either not convinced that the local level (municipalities) can solve the problem and be more labour-friendly and effective than the District Administration Office, or they have yet to understand this.

A similar argument is also put forth by union leaders in formal industries/businesses. Why aren’t new workers attracted to unions? Why don’t they join voluntarily? In response to this question, they explained, “Earlier, after reaching 240 days, workers needed the support of the union to become permanent automatically, so they used to come to the union office to get membership the next day after entering work.” Now, since ‘Right’-based ‘benefits’ are available from the first day of employment, they view unions as obsolete institutions.

Participants in the focused group discussion in the **transport sector** argue that the labour law does not regulate anything. In the transport sector, it is said that only the Transport Act is understood, and what punishment will be imposed in case of an accident is known. Social security, contributions, facilities, and minimum wages all still sound like stories from other countries.

Taxi drivers are also among those who claim they don't see the law. They have to pay Rs 2,000 a day to the taxi owners or cab companies, making it difficult to sustain their lives and raise children.

Clean tempos operate in Kathmandu, and now more men are abandoning it; most of the drivers are women. They have to pay Rs 400 for each trip to the owner, putting them in extreme difficulty. Taxi drivers are also among those who claim they don't see the law. They have to pay Rs 2,000 a day to the taxi owners or cab companies, making it difficult to sustain their lives and raise children. Most drivers say outsourcing companies are working on a higher scale, and they have to work at very low wages. For example, the drivers of 'Sajha Yatayat' have been supplied by Navadurga Company. The drivers of 'Metropolitan Buses' work on a contract to pay Rs 5,000 per day to the company, not on a monthly salary. Many bus drivers face financial problems because they don't get daily work; they are in queue, and they have to wait for their turn. In their understanding, rights have been curtailed, and punishments have increased. Without any reason, traffic police confiscate licenses on the road and mentally torture them. The national transport authority announced by the government has not been formed, exacerbating the existing problems.

Similarly, the 'booking' workers at the ticket sales counter are not salaried; instead, they work on a commission of 10 percent of the ticket sales. They are compelled to compete to attract passengers as their income depends on the number of passengers. Consequently, they find the issues of minimum wages or working hours meaningless.

Most of the drivers end up in jail in road accidents, and workers are expelled without compensation. Workers in auto workshops receive a minimum wage, but their working hours extend to 10/11 hours without additional wages. Workers in small auto workshops or motorbike workshops run by self-employed individuals are not aware of labour laws.

As a result of delays in issuing licenses, the shortage of drivers has started to increase. Due to the increased attraction of young drivers to foreign employment, there is a shortage of labour in the transport sector.

In the **tea garden sector**, there is a tendency to bargain even for wages, and entrepreneurs are making various excuses to avoid periodic collective bargaining of every 2/3 years. As participants in the focused group discussion state, “The implementation of collective agreements is also not effective, and there is always agitation even to implement what the government has set and announced.”

Even if there is no bonus, the weekly holidays are unpaid. The Labour Relations Committee and the Occupational Safety and Health Committee are inactive. There is a problem with food, water, and the health of the workers. Most of the workers bring cooked food to the garden before 7 a.m. and consume the same food, which has gone bad, in the late afternoon. The main source of drinking water is tube wells, but the quality of water is never tested. In some gardens, there is a provision of ‘paniwala’ (labourers assigned to serve water at work). There are toilets, but there is no water supply.

The shelter of tea workers is in poor condition. There are 20-year-old huts made of CGI sheets, and some huts have thatched roofs. The workers say they have to bear the maintenance expenses themselves.

There are no Indian workers in the garden. In the tea gardens of Jhapa, the vast majority of workers come from the indigenous Santhals, Oraons, and Satars communities, with a few labourers from Rajbanshi

A significant number of tea garden workers are above 50 years of age, and there are very few young workers, as the youth are not willing to work in the gardens. They only work in the garden until they find foreign employment or other work outside the tea garden.

and 'hill' origin. However, in the tea gardens of the hills, the majority of labourers are of local 'hill' origin. Workers of hill origin quickly seek other employment options. A significant number of tea garden workers are above 50 years of age, and there are very few young workers, as the youth are not willing to work in the gardens. They only work in the garden until they find foreign employment or other work outside the tea garden.

Tea garden owners, factory owners, tea farmers, and labourers are all unhappy. Everyone has grievances and anger towards the state machinery. All are demanding the right policy for tea production, promotion, and marketing from the government.

The 'mood' of teachers/employees working in the **education sector** seems to be the same as before the political change. In government-run and community schools, wages are generally above the 'minimum' as they align with the salary scale of government employees. The majority of teachers/employees have their workplace 'nearby home' and are strongly supported by their respective unions.

In public schools, teachers/employees are employed from various sources. For those supported by private resources, their situation is different—'worse' in comparison. Schools/higher secondary schools under private ownership have different conditions. Some big investors who invest in education see it as a 'business' like

other enterprises; therefore, profit is their priority. The organisation of teachers/employees working in private sector schools is weak. According to officials of GEFONT affiliates – Private and Boarding Schools Employee’s Union (PABSEU) – these schools are in confusion about which law they should depend on, whether it be the ‘Education Act’ or the ‘Labour Act.’

Schools, both public and privately owned, are now under local government. However, many people working there either do not know enough about it or still have the old mindset.

Schools have their own byelaws, lacking uniformity and showcasing unique diversity. The appointment of teaching and non-teaching staff is not transparent, and the terms of service of employment differ from each other’s. Teachers are busy trying to earn more from tuition and home tuition, so they work in the school to stay there regardless of how much they get. They are afraid to be involved in trade unions, or they do not feel the need to be members of the union. They believe that the ‘age limit of 60 years’ is not appropriate for teachers.

Teachers/employees of all schools across the country staged a massive demonstration in Kathmandu on 20 September 2023. Due to diversity in their respective agendas and mutual distrust, confusion lingered until the end about whom the protest was targeting and what the protestors were expecting. However, an agreement has been reached with the government negotiating team on the point of accepting their conditions in the Education Act amendment, according to the Teachers’ Federation. But soon after, the teachers and employees, who were not affiliated with the Teachers’ Federation and disagreed with the agreement, announced that the movement was going on again.

Focused group discussions on the **health sector** have revealed significant diversity in private and community hospitals. Health workers in government-run hospitals operate under the Health Services Act, enjoying privileges akin to those in the civil service. However, different practices are observed in private-funded and

Most hospitals lack occupational safety and health committees, with the labour relations committee absent in all hospitals except Kist Hospital. Binayak and Civil Service Hospital do not engage in collective bargaining. People's Dental Hospital frequently experiences labour disputes.

community sectors, where outsourcing is on the rise. Nepal Medical College, for instance, outsources 60 percent of its workforce. Labour offices consider the health sector 'outside of their scope,' leading to a lack of monitoring or evaluation by the labour administration in this area.

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Many hospitals do not advertise or compete in appointments, often relying on contracts based on acquaintance and communication, making positions permanent after 3 to 5 years. Management tends to be cautious about maintaining a small number of permanent positions. Some hospitals are reluctant to pay even the minimum wage, except for *The Nepal Netrajyoti Sangh*, which follows the same pay scale as the civil service. However, the situation is different for those who come from outsourcing.

Few hospitals are listed in the Social Security Fund, with a limited number of employees included. Many hospitals do not pay overtime, including Tilganga Eye Hospital, which, despite a history of collective bargaining and providing various facilities, does not compensate for

overtime work. Hospitals offering annual grade increases are even scarcer, with only a small percentage of workers (10 to 20 percent) falling into the grade category.

Shir Memorial Hospital in Banepa involves workers/employees in management, making them shareholders of the hospital's profits. Nepal Medical College is the sole institution providing bonuses to employees, though the bonus amount is determined solely by the management and not according to the Act.

In this area, **women health volunteers** work in the community, dedicating 24 hours a day. They may either work continuously for 24 hours or have a 24-hour break without any duties.

They play a crucial role in bringing sick women and children to the hospital. However, they do not receive regular salaries; instead, they are given programme-based allowances. For instance, they receive Rs 400 in all national programmes, including polio drops in Kathmandu Metropolitan City, an additional Rs. 800 in the vitamin 'A' feeding programme, totalling Rs 1200.

To be appointed as women health volunteers, they must be 'locals,' preferably mothers of children, and have completed Secondary Education Examinations (SEE). Selections are made by members of the 'mother's group,' and despite having training standards, appointments are made against these standards.

While women health volunteers retire at their discretion and age, the retirement benefits vary. Demands for retirement benefits range from a lump sum of Rs 2 to 5 lakh in some places to Rs 15,000 to Rs 30,000 in others. Some receive Rs 50,000 to Rs 60,000 at the time of retirement, while others receive none.

Apart from the federal and provincial governments, the demands put forth by volunteers in health institutions are decided through the ward executive board of municipalities. They are not in a position to agitate.

There is a provision stating that the minimum wage for agricultural workers will be determined by the wage rate determination committee, headed by the Chief District Administrators. However, trade unions are not represented in that committee.

Officials of the department and the ministry believe that making demands is not appropriate if volunteers are working voluntarily. However, the volunteers are demanding to be given monthly wages by appointing them as employees instead of volunteers and enlisting them in the Social Security Fund like other workers.

Contract workers in government service: The government is the largest employer and should serve as a role model for private sector employers in adhering to laws and rules. The previous government had directed all subordinate bodies to enlist contract workers in the Social Security Fund. However, this effort was discontinued after the current coalition came to power.

Other informal sectors include home-based workers, street vendors, domestic workers, beauty parlour workers, barbers, auto-rickshaw drivers, handicraft craftsmen, and various types of agricultural labourers and workers in traditional employment. There is a provision stating that the minimum wage for agricultural workers will be determined by the wage rate determination committee, headed by the Chief District Administrators. However, trade unions are not represented in that committee.

Workers in new sectors of employment, such as manufacturing, markets, and services, are both self-employed and wage employed. The number of workers in the cooperative sector, as well as those

providing online and delivery services, is continuously increasing. Nowadays, people are working in new areas connected to **digital platforms**. Despite being in a position to exercise their rights, such as the right to organise, they have not reached the level of enjoying the fundamental rights guaranteed by the constitution.

Although this study does not cover all these areas, discussions with knowledgeable individuals suggest that the membership and relevance of unions can increase only if unions organise these workers active in the informal economy. Our labour laws provide treatment and facilities to all workers employed under any condition of service, aligning them to the 'formal' sector. However, these workers are still unaware of their rights.

4.5 Rapid arise of 'Fake' unions

Nepal's recognised trade union federations have established and are operating the Joint Trade Union Coordination Centre (JTUCC) to avoid unnecessary competition among multiple unions in the multi-party system and to share the labour agenda. The promoters of JTUCC were unanimous that the centre, based on self-discipline and self-regulation, would not provide space for 'fake unions' that could weaken the union movement. However, with the instability and anomalies in politics, the ruling coalition is now encouraging 'fake' unions to undermine the recognised union movement. Contrary to the law, efforts are being made to promote paper 'unions' declared without any basis as representatives of workers and employers' unions. The anti-worker agenda is being implemented through such 'fake' representatives.

This year, a series of fake trade union registrations began. The labour administration, labour offices, and Departments of the Labour and Employment of the Government of Nepal registered 'fake' unions. This was primarily an attack against GEFONT and some recognised federations. Under the patronage of the government, 'fake' individuals inside and outside the country are spreading 'disinformation' against

authentic unions. They have even registered a company called JTUCC and started spreading confusion against the Joint Trade Union Coordination Centre (JTUCC), a common organisation of Nepali trade unions. They also attempted to file a case against the real JTUCC in the High Court but failed. The government is also engaging in condemnable and objectionable acts, such as nominating 'fake' representatives instead of trade union representatives in the Board of the Social Security Fund and in some tripartite collaborating bodies.

4.6 Disobedience and misuse of the law

Not implementing the provisions of the Act in favour of the workers is a violation of the law. The government is defying the law by not implementing at least a dozen provisions, especially on issues like outsourcing and facilities for the trainees, where the law has been misused.

4.7 Attacks on The Prime Minister's Employment Programme

The Right to Employment Act 2018 was enacted to ensure the right to employment. To implement this Act, employment service centres were established in 753 Municipalities. A new 'flagship' programme, the 'Prime Minister's Employment Programme (PMEP),' was introduced to enlist the unemployed and provide them with a minimum of 100 days of employment or unemployment allowance in a year. This programme aimed to secure the right to employment for every Nepali citizen in accordance with Article 33 of the constitution, guaranteeing 'employment of at least one hundred days for the unemployed by 'engaging them in some work, not allowing allowances without any work.'

Additionally, the programme targeted addressing the immediate issues of those who lost their jobs due to Section 145 of the Labour Act 2017, until the 'Unemployment Protection Scheme' is operated through this Act from the Social Security Fund. However, PMEP was initially removed from the policy/programme by the coalition government. After opposition, it was gradually 'downsized' in a

Box: 9, Some unimplemented provisions of labour laws

- In general, labour relations committees are not formed in the workplace by employers. Often, employers establish a labour relations committee only after distributing bonuses, and its sole purpose is to decide on sending the remaining amount to the welfare fund.
- The legal provision for resolving 'interest-related disputes' by forming a labour arbitration tribunal has not been followed.
- It has been five years since the Labour Act and Contribution-Based Social Security Act came into force. However, the amount of insurance has not been increased as per Section 173.
- The provisions made by the Labour Act and Rules for domestic workers have not been implemented.
- It has not been firmly established that labour law serves as a minimum service condition for both the formal and informal sectors.
- There has been an increase in the number of workers being recruited as task-based and time-bound employees in regular jobs. The labour of trainee workers has been exploited.
- The provision stating "if any entrepreneur employs a worker violating outsourced law, such worker will be considered as the worker of the principal employer" has not been implemented.
- The provision for performance evaluation is carried out only in very few workplaces.
- The legal provision stating 'that work starts after sunset or stops before sunrise' as mandatory transportation for women workers has not been followed by employers.
- Occupational safety and health inspectors have not been able to inspect workplaces and provide instructions for improvements.
- Employers have not formulated and implemented occupational safety and health policies and have not formed the OSH committee. The provision of providing and using personal protective equipment while working is not effective.
- Indian nationals in employment have not been asked to obtain work permits or keep records as per the laws of Nepal.

planned manner (refer to the budget allocated for the PMEP for the last three fiscal years, the number of unemployed enlisted in the Employment Service Centre, and the data of programs run by the local level and the people involved; <pmp.gov.np>). Finally, in the meeting of the Board of Directors on 7 January 2024, it was decided to change the structure of the Prime Minister's Employment Programme.

4.8 Exploitation of foreign employment

A few years ago, the Government of Nepal prepared a draft bilateral labour agreement with various countries with the participation of GEFONT. On this basis, labour agreements were signed with Jordan, Malaysia, and Qatar. Such agreements with various countries were established based on the 'Fair Recruitment Guidelines' of the International Labour Organisation (ILO), providing facilities to those going for foreign employment, including 'tickets and visas,' free of charge.

However, currently, not only are there no pro-worker bilateral agreements with new countries, but the government has also increased the service fee in addition to the ticket and visa amounts for those going abroad for employment purposes. Recently, the Foreign Employment Board signed an agreement with a private company called 'Foreign Workers Welfare Management Centre' to collect US \$45 per Nepali worker in the name of 'allowing Nepali workers in Malaysia to see work-related welfare and safety,' violating the labour agreement (Kantipur: 2024). In the name of 'welfare and service,' it has directly exploited the workers. The agreement, scheduled to come into effect from 1 January 2024, is both an abuse of authority and illegal. Besides Malaysia, there are reports of attempts to deceive different destination countries in a similar manner. Simultaneously, criteria have been added for workers going to countries, including the Gulf countries, to submit a certificate of passing the English language examination, starting the business of selling 'bogus' certificates.

Box: 10, Warning of the Past and The Reality of The Present

Referring to some grey areas and some loose provisions in the Labour Act 2017, the GEFONT had warned at that time that there was a “risk of misuse of the Act and possible negative impact on the labour sector”. At that time, the workers were called upon to be aware of the following points in the Labour Act, which now seem to have become a reality:

- Practices such as contract labour and time-bound labour may increase in employment. The duration of trainee can be extended for years; during this time, trainees also receive all the mentioned facilities. However, if workers remain silent by remembering the provisions of the Labour Act 1991, the employer can continue to deceive (business as usual).
- Labour retrenchment can be agreed upon with the union, so union workers need to be more responsible.
- The ‘negative list’ is outlined in the act for its disposal. It can also be amended through collective bargaining. Therefore, if there is a ‘flaw’ in the intentions of the union leaders, the manager may exploit the situation.
- Despite efforts to streamline the definition of an enterprises, the court may still clarify that government-owned establishments, as well as those under the local level, etc., are not subject to labour acts. Unless the court is ‘labour-friendly,’ the rights granted earlier may be at risk of being lost.
- Labour relations have undergone fundamental changes. Employment is now defined across various categories such as regular employment, task-based employment, time-bound employment, casual employment, and partial employment. The Act specifies that the contract period may extend if the work remains pending, even when there is task-based and time-bound employment. However, there is a potential trend among employers to hire workers for task-based and time-bound, employing them in flexitime. To address this, the imperative of ‘social security for all, regardless of the nature and time of worked,’ should be strongly emphasised. Otherwise, there is a risk of creating an imbalance between ‘flexibility and social security,’ favouring employers over workers.
- In case of a shortage of electricity, water, raw materials, or financial resources in the workplace, or if there is a special situation preventing access or operation of the workplace, the employer has the authority to retain workers for 15 days without consulting the union. During this period, workers will receive only half of their wages. Moreover, the employer has the discretion

to declare a backup, ordering only half the wages to be paid, whether it be during a strike, curfew, shutdown period, or for workers who choose not to continue working.

- The employer has the authority to appoint a trainee for one year to teach and train for the job. Throughout this period, all facilities should be provided, not less than the minimum wage. However, there is a concern that some employers, in the name of saving expenses, may not provide more than the minimum wage. This practice might lead to a trend of prolonged training periods, with individuals working at the minimum wage thereafter.
- The provision requiring employers to arrange transportation for women workers during night shifts may inadvertently result in women being given lower priority for employment.
- Beyond the collective agreement, the provision stating that ‘wages and facilities prescribed by the law cannot be reduced for workers’ may lead to a reduction in benefits if the union leadership betrays them. The unionists need to be especially vigilant in this regard.
- The ministry’s provision to publish a list of jobs that can be outsourced to workers through a labour supplier, by publishing a notice in the Nepal Gazette upon the recommendation of the Council of Ministers, may potentially lead to a situation where workers are exclusively employed through the outsourced company. It is crucial that the wages and other benefits of workers functioning as labourers should not be less than those prescribed in the Act. Any proposal, bid, or agreement in contravention of this provision will be automatically cancelled. Failure to adhere to this system could lead to the exploitation of labour.
- Workers will not receive any remuneration in the case of unlawful-strike, full remuneration in the case of an illegal lockout, and half of the wages during a legal strike and lockout. In the earlier arrangement, the law was silent on this matter, so the union had either received full wages or nothing through dialogue, and this arrangement still persists.
- The requirement for government permission has been eliminated when retrenching the workers, and there is now a provision for retrenchment through an agreement with the union. In cases where there is no agreement, the employer has the authority to proceed with the retrenchment by informing the labour office. However, due to this provision, if there is a lack of seriousness from the authentic union or labour-relations committee, there may be negative consequences.

Trade Union's Response to the Changed Context

Part Five

Conclusion and Recommendations

This study has given information about the challenges faced by Nepali workers encompassing issues such as labour rights, employment, terms of conditions, job security, fair wages and facilities. It elucidates the threats to the hard-fought achievements of the past labour movements, revealing instances of non-compliance with the law, its misuse, and the neglect of workers' rights without proper implementation. Contrary to the expectations of workers seeking a rational balance between labour flexibility and social security, there is a discernible trend towards maximising outsourcing, evading legalities through 'devious' means, and exploiting labour under various pretexts. These findings underscore the issues that trade unions need to address when setting the agenda for the future.

1. According to the Labour Act 1991, the social dialogue agenda of the unions at the enterprise level was basically based on 'rights' such as making permanent some workers, providing gratuity-provident fund, and paying compensation in accidents. With the implementation of the Labour Act 2017, all 'right-based' benefits have been applicable to every worker from the date they start work, so the 'existing agenda' of the unions has become irrelevant. The predictions of the unions that 'the current labour dispute will automatically subside' as the demands based on the 'rights' of the workers are automatically implemented have been proven correct.
2. Currently, even without labour audits, there has been a widespread reduction in the process of periodic 'collective bargaining'. The reasons may be different, but since collective bargaining is done only in 'interest' based disputes, it may have decreased. In addition to this, other reasons can be:
 - » In particular, a common agenda for attracting new workers could not be identified.

- » Due to automatic restoration of rights based on 'rights', the interest of new workers towards unions became less.
 - » Since the number of workers coming from 'outsourced' companies is more than the workers working internally in the enterprises, when the number of regular workers is low, the 'bargaining power' in the social dialogue of the enterprise is weak. Since the necessary amendments have not been made in the Trade Union Act, there is no legal provisions to present a collective demand at the 'industry-level'.
 - » The average duration of work has decreased due to labour mobility and the pay is stable due to social security. Rather than working for a long time in the same company, the tendency to move to a new place that offers more benefits is gradually increasing.
3. The system of not filing a case against the transfer in the labour court has discouraged the workers, its abuse by the management has increased. To avoid a 'union-free' situation and to prevent the targeted harassment of the union-leaders, union officials, they were protected by the Act against transfers and retrench. But the active members of the union and supporters could not be protected in the same way. This seems to have a negative impact on trade union solidarity. Especially the union leaders of banks, financial institutions and enterprises that have more profits are encouraging the management in "outsourcing" in the greed that those who come from "outsources" should not be given benefits from bonuses and welfare funds.
 4. The 'outsourced' company also seems to have disobeyed the law by listing only the workers assigned to the enterprise which are registered to the 'Social Security Fund' instead of all the workers. Since the working hours are set to 12 hours, labour exploitation is taking place when the workers who come to the 'outsource' work more than the minimum working hours. A personal

contract has also been made with “outsourced” workers stating that they will not join trade unions.

5. It seems that ‘time-bound’ and ‘task-bound’ jobs are becoming widespread in the workplace. The process of registering all these workers in the social security fund has also increased. On the one hand, this has raised questions about the justification of ‘regular employment’. But on the other hand, there is still a mindset that jobs other than ‘regular’ are not jobs, even though all types of workers have the same protection facilities.
6. It seems that the praise-worthy work of connecting those who go for foreign employment to the social security fund has been done without preparation. It is mandatory to implement inter-country social security, there should be bilateral agreement with the country of ‘destination’. For example, internal social security within the European Union, happens under the Regulation No. 883/2004. In order to continue the social security scheme as before, after Brexit, the UK has made a trade and cooperation agreement with the European Union. Due to the complexity and ineffectiveness of the implementation, the ad hoc decision made by Nepal for those who go for foreign employment is likely to reduce the confidence in the programme of ‘Inter-country Social Security’. It seems necessary to make a bilateral agreement with the country of destination to make the social security of those employed abroad effective.
7. Due to the decision to protect all workers except permanent workers of public enterprises outside the scope of the Labour Act, the process of joining social security has started. But there is still ambiguity in how to protect those who are not covered by the Education Act in public schools. Government quotas, relief, child development etc. teachers and staff of public schools, all teachers/staff of private schools and intern teachers, which are not covered by the Education Act, are due to this diversity in service, conditions and facilities. Therefore, to put an end to it,

it seems appropriate to bring everyone under the scope of the Labour Act and register them in the Social Security Fund.

8. Misuse of the provision of 'trainee' for one year has increased. Especially in hotels and restaurants, enticing of 'sending them to foreign jobs', the tendency to exploit labour has increased. Even among the youth, instead of the awareness that 'my labour is being exploited here', there is an illusion that 'I am on a flight station for foreign employment'. Participant of the focus group discussion said – "The young do speak English fluently come as interns or new workers. Earlier, the newcomers used to come to the union in the hope that union would secure their jobs, and they immediately joined the union. Now they trust on manager's bluffs that they will send them to a chain-hotel in any country with a better facilities." This indicates that the leadership of the union could not realize the 'passage' of the workers at the workplace. A plan should be made to attract the youth to the union keeping in mind the feelings of the youth.
9. In terms of the current economy, 'gig' and 'platform-work' in terms of new job fields are popular all over the world. Workers who provide special services by contacting individuals or organisations directly through an online platform are platform workers. The 'gig' economy involves people who work on a freelance and work for extra income. In other words, in this 'system', the temporary and part-time work of the labour market is largely done by casual workers who work for the moment. Service givers and receivers contact each other through the online platform and transact services and payments. In the context of Nepal, '*pathao*', '*in-drive*', '*daraz*' etc. are some examples of this.

Pathao employs about 300,000 riders/drivers on a part-time and full-time basis. It provides 150,000 rides and deliveries daily. It has affected around 5 million people. So far, more than 3.5 million people have downloaded its app.

Pathao takes 20 percent commission from the bike rider and 15 percent commission from the driver for every ride. It takes 20 percent from the restaurant on each 'food-item' and takes a separate 'delivery charge' from the consumer. For every food delivery within a two and a half kilometres area, send Rs. 85 and thereafter adds Rs. 15. In this way, Pathao collects around 3.4 millions from the table every day and roughly earns more than Rs. 10 crores per month.

The platform workers of the places where there are so many economic activities are absent, they are not organised. Pathao is an example, workers are employed on many such 'platforms' within the gig economy. It is too late to organise these workers and raise voice for their rights and interests. The future trade union movement should focus on this.

10. Nepali trade union movement has two requirements. The first is to initiate an industry-based union movement in place of the existing enterprise-based one. The second is to create an integrated voice of the working class unifying the many scattered unions. The aim of the union movement is not just to ensure a pay hike of the workers in one or the other enterprise. The role is to uplift the entire working class, transform the political economy that derogates the working class and create a condition in which the working class stands on par with the middle and high class. It is possible only with class unity. But our experience suggests that enterprise-level unionism does not contribute to the unity of the working class. "All rights to lower units" are pleasant hearing. But in practice, it only contributed to the hated wish of "divide and rule" of the opposing class. (GEFONT, 2014).

Therefore, to address the changing situation, it is appropriate to amend the Trade Union Act 1993 and form a new structure of trade union as follows:

- A) **Industry-based central union:** Instead of existing, 50 enterprise level registered unions in organised industries, elect a central trade union in the system of 'organised membership', the industry-based Union will distribute individual membership. The unions will have power to engage in collective bargaining with their own employers and industries they work for. Union members will have an automatic right to form a branch union wherever they work. The central union will have the power to mobilise and consolidate its members and branches. As in the existing practice, the proposed process will also have more than one union that will be based on ideological/political diversity, party affiliation or non-party values. How to give recognition of authenticity and to whom will be decided on the basis of the number of union members in the concerned enterprise or workplace. In this process too, as now, there will be more than one union in industries based on 'ideological/political diversity, party affiliation or non-political recognition'. Who among them and how to recognize the official status should be determined based on the number of members of the union in the establishment/workplace.
- b) **National level federation:** National-Level Federations will be constituted by central unions based on their ideological affinity. In other words, existing trade union centres, such as GEFONT, ANTUF or NTUC, will be such federations. Since they will operate as per the existing procedure, there will still be a situation of multi-federations, which will continue representing their own central industrial unions.
- c) **Local unit at the workplace:** The workplace/enterprise will have a branch of industry-based central union or a local unit. There will also be representative/s (or shop-stewards) of national federations. The local or enterprise level unit will have more than one union as each industry-

based central union will have their direct activities at the local level. There can be three alternatives as to which of them should be considered as authentic union for collective bargaining:

- » An authentic union elected at enterprise level be recognised as an enterprise-level constituent of a single union and authorised to engage in collective bargaining. The participation of others – second, third or rest unions – can be ensured in decision-making processes through a ‘labour relations committee’ constituted on the basis of proportional representation of unions.
 - » Authentic unions can also be identified for collective bargaining following verification of dues paying members of the union concerned, through a ‘check-off’ procedure. Such a unit/local branch of union/federation will replace existing enterprise-level unions.
 - » Authentic unions can be elected at the enterprise level as per existing procedures. However, for collective bargaining, a ‘bargaining panel or negotiating team’ can be formed with proportional representation of all active unions based on their votes in elections.
- d) Confederation at the national level:** Only one confederation will be formed to represent the entire country. It will be a common organisation of all national federations with representations ensured on the basis of the number of dues-paying members of each federation. The confederation will be a ‘single union’ representing multi-unions. Instead of the common ‘majority-minority’ procedure, its operation will be on the basis of ‘consensuses’ among affiliated federations.

The confederation will be a counterpart of the apex body of employers’ organisation but will represent the interest

of the opposite class. The nation will recognise it as the nucleus of trade unions. It will be well-placed to represent Nepali trade unions also in international forums, such as the International Labour Organisation.

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- e) **Labour Parliament:** A new structure, such as a labour parliament, should also be created to set national labour agendas. Such a parliament should be at both levels- in the Federal and the Provincials. In the centre, representation should be ensured proportional to the total number of workers in all trades and industries. Similar procedure can be followed in the provincial level as well, but the representatives should be from the trade and industry at the same level. In the labour parliament and confederation, the workers can send their representatives through industry-based central unions.

It is through this process and procedure that we can correct the by- product of the 1993 Trade Union Act, and also form a mechanism that brings together 'multi-unions' and creates 'unity based on diversity' of the working class.

11. There is a need for new training on social security schemes. So far, the union movement has communicated and disseminated about the importance of social security system. Theoretical training and information-dissemination on how to make the market flexible according to the changed production relations and protect workers from the negative effects of flexibility. It highlighted the contribution-based social security act,

regulations and scheme's operation procedures. But there seems to be insufficient information about the facilities available to a limited number of regular (permanent) workers in the previous system and the facilities available to all workers in the new system. For example, what happens if there is a delay in depositing the amount collected from the workers in the Fund against the law? What are the benefits and the loss to employers and workers not being listed in the Fund? How to regulate the listed hospitals forcing beneficiaries to test at non-listed expensive health laboratories? How to avoid the compulsion to buy necessary expensive medicines outside and listed hospital is providing on 'cheap' medicine at the facility? How to avoid duplication and coordinate between the Medicare, accident, etc. facilities provided by the company, the facilities provided by the health insurance under the same title and the scheme run by the fund? How to establish easy-access the hospitals designated by the Fund to the beneficiaries and how to make the services effective provided by those hospitals? How to provide the service provided by the fund not only to the spouses of contributors but to the entire dependent members of the family? These issues need clarification. In addition to this, it is necessary to make aware about the adverse impact of the wrong behaviour of the service providing organisation on the system and the damage caused by the 'false' information submitted by the service user. A social security system based on contribution is really the beginning of a new 'era'. Therefore, related parties should be given necessary training by including this subject even in school and university curricula.

12. Minimum wage revision and salary hike are different issues. Minimum wage is a basic thing, it is the 'right' of every worker. Above that, it is a matter related to 'interest', which is determined by the bargain between the workers working in the respective workplace and the employer. It has already been discussed above; the issue related to 'right', cannot say No! But all matters

related to 'interest' are determined by the 'ability to pay' of the provider and the strength of the receiver through the 'bargaining art'. Unions should understand this issue well and train their members. There may be an 'issue' that everyone should not entitle the pay in the same ratio after the revision of the rate by the Minimum Wage Fixation Committee, but we must not forget that the legal weapon to solve it is only a 'social dialogue'. The same confusion is seen among union workers now.

13. It has been predicted that there will be an increase in retrenchment for a few years after the implementation of the Labour Act 2017, and then the labour market will gradually stabilise. 'Haphazard retrenchment' is not the spirit of 'flexibility', it is the prejudice of the employer towards the workers. It inversely discredits the accepted 'flexibility' to make the labour market 'dynamic'. In order to control the 'indulgence' in retrenchment, it should be linked with unemployment benefits. The 'Unemployed Security Scheme' is a programme expected by the contributors but yet to be included in the social security scheme by the Fund. If the government also contributes to this plan, it can help to prevent the possible 'arbitrariness' of employers and unbalanced decisions of the labour administration.
14. Outsourcing is a by-product of labour flexibility. One cannot even think how to ban it. So, there is no option to regulate it. After the 'outsourced company' comes under the law, the rights-based problem is solved automatically. However, after that 'bargaining power' of the enterprise-level trade union may be relatively weak. Therefore, to keep the union movement vibrant, the union workers should change the existing state of mind. The trade union movement should stand in favour of a new type of union structure in line with the changed 'work organisation'.
15. Trade unions should emphasise that there should be a single law covering all labour sectors (including media, teaching, etc.). Once this is done, the process of 'securing a social security

number before joining to work' can be started. There is a need for consistency in the Contribution-based social security system. It is wrong to 'alter' percentage of contribution among the government employees and others. As soon as there is uniformity, the current problem of relief quota, ECD and other teachers, or the media sector's issue of 'Working Journalists Act or Labour Laws' will be resolved. The law guaranteed the basic facilities (rights); the benefits above that (interests), the unions should conduct social dialogue.

16. Labour laws should be implemented in a creative manner in the informal/unorganised sector of employment including construction. It has already been discussed, if a system can be developed to make it compulsory to obtain a social security number before joining to work, and to automatically register those with a social security number in the social security fund, no one will have to feel that they are deprived of legal protection. Since some of the work done in the past through the district administration office has now come under the local level, the unions should make an action plan that matches the changed situation. In order to solve the problems of workers involved in construction projects, it is necessary to call for the establishment of labour desks in every municipality.
17. It was believed that after the abolition of syndicates in public transport, consumers will get easy transport services and the interests of workers and transport-entrepreneurs will be protected. For this, it was proposed that a fare based on digital payment system would be implemented in the city and managed through the Public Transport Authority. With the change of government, the initiative was suspended. A public transport authority should be formed immediately to stop the continuation of the vagaries. Passengers should get relief from the unhealthy businesses and unfair competition in the name of public transport. Small traders, self-employed and workers who are being cheated by the big transport entrepreneurs who

are benefiting from the present scam should be stopped. Since urban public services are related to the local level, municipalities should be involved in it.

18. Attack on 10 percent service charge is injustice. For its re-implementation, hotel and tourism sector unions and their federations/confederations should prepare for a joint movement.
19. Common transport workers are confused about what has been gained and what has been lost after the new labour law. They seem to be aware only about the transport laws and the jail sentence. Like the workers in other sectors, efforts should be made to ensure that the workers in the transport and related sectors (workshop workers) get all the basic facilities related to their rights and immediately register them in the social security fund. The 'zero' knowledge about labour laws among the workers and entrepreneurs of this sector should be ended.
20. Our constitution and laws have accepted plurality, multi-party diversity. The natural result of this is multi-union competition in the workplace. It is of great practical importance to regulate the mutual competition between the unions through the election of the authentic union. But in some enterprise, this has been done with caution. The election has been postponed. The government itself is ignoring the election of authentic union in the civil service. Therefore, it is necessary to increase the effectiveness of labour administration.
21. Flexibility also makes the market competitive. It also increases labour mobility. Now, there is more labour mobility in employment than ever before. Instead of working in one place for a long time, when they get a better opportunity, it seems that the process of changing the workplace and service and going to another place or going to work abroad is increasing. In order to manage it, the issue of 'social security for all irrespective of the duration and nature of work', should be raised strictly.

Otherwise, there will be an imbalance between 'flexibility and social security'. The benefit of this imbalance is more for the employer, not the worker.

22. The Labour Act 2017 favours labour relations based on 'cooperation and coexistence'. A labour dispute must pass through the 'wall' of strong 'arbitration-process' to enter the stage of 'strike'. This has less-deterrence of 'strike' in the management. It seems to have created a strange contradiction in the state of mind of the union workers. The emphasis of the law is on consensus-cooperation, the state of mind of union worker is union will function only if sorts of trouble emerge (as was the opinion of the participants in the focus group discussion: in those hard times, after being in difficulty, the worker would come to the union in 'day-one', now, like regular workers, automatically after getting facilities, they ignored union). This mindset needs to be changed. Unions must change their Tactical-Move by understanding that the previous 'AHA' (Anger-Hope-Action) method is no longer useful in union building now. The union should be proud of the achievements and focus on how to solve the complications that arise. It is necessary for the union movement to consider the changes in the labour market.
23. It seems that the leaders of the union have yet to understand that interns are the future of the union. In the dialogue with the management, the issue of "interns" has not yet become a "union issue". Ambivalence is also seen in 'intern' and 'trainee'. Until recently, the hotels did not provide facilities to the trainees, on the contrary, they used to charge Rs. 10,000 to 20,000. Most of the 'trainees' were employed without pay. Whether they are pass outs or trainees, in essence they are all 'interns' or 'apprentice workers'. In Australia, Europe or Americas, whether our Nepalis or native or from other countries youths, the working hours are fixed for all those who join the work. They are paid the minimum wage as per the law. This is a worldwide practice.

Therefore, trade unions in Nepal should now raise the voice of 'wages for Interns.'

24. It is not enough to say that the mechanisms such as bonuses and incentives, festivals or other holidays and benefits that should be given according to the labour law, and mechanisms such as 'Labour Relations Committee' and 'Occupational Safety and Health Committee' should be formed. In order to solve these issues based on rights, it seems that the unions have to create widespread pressure for a 'labour audit'.
25. It seems that the leaders of the movement are not able to engage the 'intellectual community' to form an opinion in favour of the labour movement while the comment narrative that "trade union is bad" is being forcefully created. This also seems to create difficulty in institutionalising the achievements, as if the unions are 'isolated' when their rights are attacked. Therefore, the union movement needs to be active continuously to bring them to the side of the movement.
26. After the country moves to a federal structure, it is unclear which issues will be dealt with by the state agencies at which level. "Labour" is placed under federal jurisdiction. Although there is a Ministry of Labour at the provincial level, it has not seen a concrete role. It seems that some issues in the labour sector should be addressed at the local level.
27. Trade unions should be proud of the achievements of decades of struggle. You have to be careful to protect it. Any new problem generated in the labour sector should be made an issue of the future movement. It is necessary to create an agenda based on the findings of such studies to meet the expectations of the workers.

Annexure

Part Six

77 YEARS: IMPACTFUL MAJOR MOVEMENTS

1. **BIRATNAGAR JUTE MILLS: The Beginning and Synonym of the Industrial Labour Movement**

On 4 March 1947, a historic day unfolded for the Nepali Trade Union Movement. It marked the initiation of the Trade Union Movement in Nepal. The foundation of this movement was laid in the Biratnagar industrial area under the leadership of two political leaders: the aspiring Prime Minister Girija Prasad Koirala and Man Mohan Adhikari. The Biratnagar Jute Mill strike served as the catalyst for this movement. It began with the demand for 'Trade Union Rights and Wage Increase' and eventually evolved into a movement against the then autocratic Rana regime. Following the arrest of labour leaders and indiscriminate firing on the workers, the movement was suppressed.

In 1950, the movement against the 'unequal Delhi Treaty' was also spearheaded by the Biratnagar Jute Mill. Following the release of



The tractor was converted into a tank during the anti-Rana movement of the 1950s

their leaders, who had been initially arrested by the government, the aforementioned movement came to a halt.

In 1953, a prolonged strike lasting 23 weeks took place, demanding trade union registration, job security, wage increments, and addressing other issues. It remains the longest strike in Nepali history.

In 1975, the Biratnagar Jute Mill initiated the well-known go-slowdown. Following a 37-day prolonged strike, a clash between the police and the workers occurred, leading to the unfortunate death of labor leader Khagendra Rai, and 51 individuals lost their jobs.

In the year 1980, during the nationwide strike, Biratnagar Jute Mill was at the forefront. This movement led to the initiation of the second phase of the Nepali Trade Union Movement with the establishment of a new industrial union - the Nepal Independent Workers' Union (NIWU). A decade later, among the four founders of GEFONT, one was the Nepal Independent Workers' Union (NIWU).

In 1982, another strike was initiated to address longstanding demands. Following the death of a worker due to police repression and numerous injuries, the strike was subsequently halted.

In 1990, during the People's Movement, Biratnagar Jute Mill consistently maintained a prominent position. Subsequently, there was a three-month-long strike aimed at fulfilling various demands of the workers. Despite this effort, labour disputes persisted with the management, often leading to conflicts over time.

From 29 May 2000, a strike was staged at Biratnagar Jute Mill. On the evening of 29 June, during a peaceful sit-in protest, the police baton-charged and arrested 200 workers, including 43 women. To disperse the crowd, the police fired tear gas and bullets indiscriminately. Mahmud Sultan, Binod Shah, and Rajkumar Mandal were shot during the incident, resulting in numerous casualties. Following this event, tension escalated in the Biratnagar Rani Mills area. Protests against police brutality persisted from 1 July, leading to an indefinite transport strike and market closures across the Mills Area. During the three days of closed custom borders, which led to police repression, more than 21 workers were seriously injured. In response to the brutality of the Nepal Police,

demands for clarification from the Home Minister were raised in the parliament (Shramik Khabar, 2000).

Biratnagar Jute Mill stands as the birthplace of the Nepali Trade Union Movement, marking the site where the right to strike was first exercised. During the early days of industrial establishment, this movement laid the foundation for other industries through various movements and agreements.

2. KAMAIIYA LIBERATION MOVEMENT: A Successful Struggle Against Bonded Labour

The Kamaiya Movement unfolded in four phases: the initial phase before 1996, the stage following the establishment of the Kamaiya Mukti Manch in January 1996, the phase subsequent to the appeal movement in January 1996, and the phase after the declaration of the minimum wage for agricultural labourers in early 2000.

In the beginning, the Informal Sector Service Centre (INSEC) conducted a survey on the conditions of Kamaiya labourers. Following the survey report in October 1992, which voiced support for the freedom of Kamaiyas, the formal phase of the movement commenced. During this stage, awareness development efforts for Kamaiya labourers were primarily spearheaded by INSEC and other non-governmental organisations. Those advocating for rights, worked on initiatives related to informal education, literacy, human rights, and awareness programmes, some of them were associated with Income Generation (IGP).

In 1996, after the formation of the Kamaiya Mukti Manch (*Kamaiya Liberation Forum*), groups were formed in the areas, villages, and wards of the four districts of western Nepal through this platform.

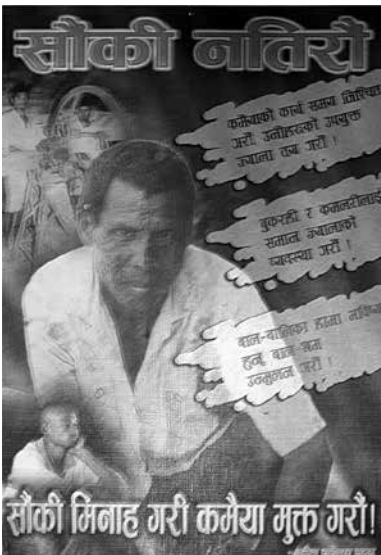
While some marvelled at the 'fairy tales' of Kamaiya liberation, the Forum adopted the slogan 'Let uplift the slaves into the poor.' Poor people were free to set their labour prices and even had the freedom to decide whether to work or not. However, Kamaiyas were not free to determine their wages or choose whether to work; they were compelled to do so. During that period, nearly half of Nepal's population lived below the poverty

line. The Forum's conclusion resonated with the fate of those Nepalis destined to be part of it.

To liberate Kamaiyas, the first phase of the strategic programme undertaken by GEFONT was the 'Appeal Movement.' In this initial stage, GEFONT began working through its volunteers in the villages of Sonapur, Nouvasta, Padnaha, Pathraiya, and Suda in the five districts of the western Tarai - Dang, Banke, Bardiya, Kailali, and Kanchanpur. An appeal was made through these volunteers to the Kamaiyas and their owners, requesting liberation. The Appeal Movement was highly successful, leading to the liberation of a Kamaiya working for the landlord Umesh Chandra Bohora in Suda.

Although only a few Kamaiyas were liberated through the Appeal Movement, it stirred every village in the five districts. It exerted pressure on the landlords of these villages, compelling them to free their Kamaiyas and ignited enthusiasm among the Kamaiyas.

The Federation of Agricultural Workers (FAWN) initiated efforts to determine the minimum wage in the agricultural sector at the national



Don't Pay Saunki (Bondage-creating loan)! Kamaiyas are like us!! A GEFONT Campaign Poster for Kamaiya Liberation.

Box: Press Release

**Declaration of Kamaiya Liberation has been made!
Let's unite for their rehabilitation!**

In the parliamentary session starting on 17 July 2000, the announcement to eradicate the existing Kamaiya system from the country was declared. Our confederation warmly welcomes this proclamation. We extend heartfelt congratulations and best wishes to all Kamaiya sisters and brothers on their achievement of freedom. At this moment, we express our gratitude to all stakeholders—the main opposition party, Communist Party of Nepal (UML), which tabled an adjournment proposal in the parliament with strong political will, and the government as well, which has immediately called a cabinet meeting for Kamaiya Liberation. We are thankful for their unanimous support. We are also aware that the declaration of Kamaiya Liberation today is not even equal to the abolition of slavery some seventy-five years ago by the then Prime Minister Chandra Shamsher Rana. As there are many unanswered questions, which we will clarify through our united movement.

From today, rich farmers and landlords having Kamaiyas have started shutting down the huts of Kamaiyas and bringing them onto the road. We are aware that the existing laws have provisions for tenants who have been farming the land for ages. Land may belong to anyone, but those farming it for a long time and having a roof on that land cannot be removed without providing tenant rights. Even though the land has been declared public, a system has not been established to remove the landless from the property. But how will the rights of the Kamaiyas, who contributed their sweat to the agricultural land for years, be addressed by landlords?

There is a saying, 'there is nothing to lose but a world to win.' If alternatives are not available from somewhere, the road and movement become their only option. Our government should seriously consider this and, through its concerned wings, issue directives to regularise the lives of the Kamaiyas, who have already been declared free.

It took 35 years since the determination of industrial labour wages to determine agricultural labour wages. The GEFONT demands that Kamaiyas should be compensated, considering from the day they became Kamaiyas.

level. Consequently, the Trade Union Act of 1992 was amended to ensure the right of agricultural labourers to form trade unions.

Upon gaining trade union rights for agricultural labourers, GEFONT initiated a programme in 1997 to determine and enforce the minimum wage for agricultural workers in various villages. Beginning in a village in Banke District, the village development committee of Nouvasta convened a board meeting and declared a minimum wage of Rs 60 without a meal and Rs 40 with one-time meal. This declaration was announced in a grand mass meeting, leading to similar initiatives in various villages. The ripple effect of this process spread across the Terai and hills from Kanchanpur to Jhapa within two years.

On 13 January 2000, the minimum wage for agricultural labourers (including Kamaiyas) was determined. Subsequently, the issue of the minimum wage became a significant concern among Kamaiya labourers. The demand for the minimum wage became a new and powerful foundation established through the Liberation Movement. Although the Kamaiyas had been advocating for the minimum wage for years, it gained prominence due to this influential movement.

Finally, on 17 July 2000, the government announced the abolition of the Kamaiya system. Immediately after this announcement, GEFONT released a press statement, presenting its perspective publicly (*See Box*). Due to continuous pressure, the government passed the Kamaiya Labour (Prohibition) Act in 2001 through the parliament. After the implementation of this law, the Kamaiyas transitioned primarily from a state of slavery to a state of poverty. Efforts to resolve their issues are still ongoing.

3. The Movement Against Social Discrimination

The garbage cleaning workers in the Kathmandu Valley were not only oppressed based on their class but also faced caste discrimination. The garbage cleaners launched an agitation for the first time in 1980 when they went on strike, demanding 15-point demands from the then Kathmandu Municipality (Nagar Panchayat). Since that strike, the garbage cleaning workers, initially on daily wages, became permanent employees.

In 1982, during a nationwide labour movement, the garbage cleaners of Kathmandu Municipality went on strike, demanding various 19 points. Instantly, the workers of Bhaktapur Municipality also went on strike.

In Kathmandu Metropolitan City, on the 14 August 1998, they joined the movement with the slogan “Fulfil Our Demands,” leaving their work and marching through the streets and alleys of Kathmandu. The strike, which lasted until 20 August (7 days), fulfilled 18 out of the 20 demands. One of the fulfilled demands was paternity leave, allowing the husband to take leave if the wife is delivering a child.

A garbage cleaner reflects, ‘Even though we lived in Kathmandu, we had our separate settlement. Our interaction with other people in society was minimal. We didn’t even have contact with others, and if we did meet someone, we had to sit separately on the floor and talk. Despite living in the city, our settlement felt like a separate village. Unlike others, we were compelled to clean the dishes in hotels and restaurants after eating, even paying the same amount as others. Even to ask for wages, we used

to be very scared. Now, that situation has changed. Now, we are also free like other communities in society. Educated people in our community are increasing.’



*Children: Our Future, Let Them Nurture!
A poster published by GEFONT as part of its
campaign to enroll the children of garbage
cleaning workers in schools.*

Many garbage cleaners were uneducated, and even those who went to school had to leave due to discrimination from other students. Therefore, GEFONT initiated a campaign to launch literacy class for adult and a school admission campaign for the kids. Under the International Labour Organization, Child Labor Elimination Programme (ILO-IPEC) in 1996, all the children of

Kathmandu's garbage cleaners' community were enrolled in private schools, and morning/evening tuition classes were conducted for them. This programme brought about significant change, marking the beginning of a new culture. Along with collaboration with Kathmandu Metropolitan City, the first batch of children who passed the School Leaving Certificate (SLC) exams were honoured at the City Hall along with their parents. Now it is being a tradition, this program is organising every year.

GEFONT also initiated informal education and a children's school education campaign in their tole of Lagan and Tilganga, Kathmandu, which had lagged due to caste discrimination. This initiative gained recognition as a model for education. The situation has changed over time; the traditional practice of limiting garbage collecting and cleaning work to specific castes has transformed, with people from all castes and communities engaging in this work. Even outsourcing companies have entered this field. While caste-based discrimination has weakened, new forms of labour exploitation persist in this sector.

4. Reflecting on 45 Years of the Teacher Movement: EMPOWERING DEMOCRACY NATIONWIDE

On 18 May 1979, the public-school teacher movement, which originated in Hetauda, began, and had a nationwide impact and influence. The cycle of protest—street demonstrations, strikes, arrests, and suppression—persisted continuously for almost 11 months. On 11 April 1980, with the legal recognition of the Nepal National Teachers' Association (NNTA), the movement concluded. The establishment of NNTA, created for teachers, by teachers, to be operated by the statutes they themselves wrote, marked a significant achievement in the nationwide trade union movement. The formation of NNTA ensured the representation of teachers in the 'District Education Committee' and the 'School Management Committee.

The movement was not confined to the mere professional rights and interests of teachers; it was an integral part of the ongoing movement for democracy. Thus, when the tempo of the movement scaled down, a process of widespread arrests, suspensions, dismissals, and even the expulsion of teachers took place. In response, teachers intensified their struggle, actively engaging in the nationwide movement in 1982. With a

historic 104-day school strike, the NNTA once again triumphed over the Panchayat regime.

In March 1985, all teachers were involved in a campaign under the slogan, 'Let's Go Kathmandu.' Thousands of teachers flooded the streets of Kathmandu, staging regular demonstrations and voluntarily accepting arrests. The movement gained momentum, and on 20 June, bombs were detonated at various locations in Kathmandu's suburbs, claiming the lives of some high-profile individuals. Using this incident as a pretext, the government escalated repression against the movement, levelling false allegations against the protesting teachers. To protect themselves from false allegations by the government, the movement was halted. This campaign played a vital role in assuring and safeguarding the teachers' professional rights and leading the nationwide political movement.

In the pivotal year of 1990, teachers played a crucial and active role in the People's Movement, a historic event that not only marked the end of the autocratic Panchayat system but also led to the restoration of a multiparty parliamentary system in Nepal.



First National Teachers Conference, 1980, Hetauda, Makawanpur

With demands for professional rights, in 1990, the NNTA initiated a hunger strike in Kathmandu. These movements paved the foundation to make the teaching profession dignified and attractive, leading to the provision of salaries, allowances, provident funds, and pension schemes similar to those for government employees. Since 1990, the NNTA has been affiliated with the World Confederation of Teaching Professionals (WCOTP-now EI), establishing the Nepali teacher's movement on the international stage. The NNTA claimed itself as the most authentic representative of Nepali workers for the International Labor Conference; there was the famous '12-years case' in the International Labor Organization (ILO) concerning this.

In 1990, after the restoration of the multiparty system, the first parliamentary elections took place. During this election, leaders from the teachers' movement competed as candidates from various parties and achieved victory in significant numbers.

The open political environment only superficially improved things. The immediate ruling party, the Nepali Congress, created its own teacher's union under the pretext of 'building an organization of their own belief.' This division, primarily divisive, further weakened the teacher's movement, as each party sought to create its own teacher's wing.

However, the teachers' movement found a solution within itself. In 2003, the formation of the 'Teachers' Union of Nepal (TUN)' brought together teachers from all organisations under a common umbrella. This initiative amended the Education Act, making formal representation of teachers through TUN to various state bodies. Today's 'Nepal Teachers Federation' was renamed from the 'Teachers Union of Nepal.'

On 20-21 September 2023, the Nepal Teacher's Federation organised a massive demonstration in Kathmandu. This event, with the effective presence of teachers and employees, brought the struggle-oriented tradition of Nepali teachers back into the limelight. Presently, relief quota teachers, ECD (early childhood) teachers, school employees, and private school teachers/ employees are aligned with various association operated outside the umbrella of the teachers' federation. In a quick glimpse, it seems the Nepal Teachers Federation only federates unions of regular and permanent teachers in the safe/secure profession of community schools,

and on the other, the teachers in casual as well as in unsafe/insecure teaching professions are in different unions. The controversy surfaced after the agreement reached during the movement on 20-21 September 2022 has also confirmed it.

As of now, in public schools, there are around 110,000 permanent teachers, 38,000 (relief/ Rahat) temporary teachers, 35,000 school staff, 35,000 Child Development Facilitators (female), 6,000 higher secondary level teachers, 10,000 technical teachers, 10,000 contractual teachers, 8,000 annual grant-receiving self-volunteers, and 20,000 teachers recruited by local level authorities. In addition, there are approximately 250,000 teachers in private schools. However, except for permanent teachers, there is a lack of specific policies regarding recruitment, training, social security, and incentives for other professionals in the education sector.

5. A PROUD HISTORY:

Women's participation from zero to 33 percent!

Various campaigns and programmes have been conducted to end different forms of oppression, discrimination, and unequal treatment for social justice. Efforts have been made in union movements to increase women's participation and eliminate all forms of violence against women.



लैङ्गीक समानताको पक्षमा

- बाबुको नामबाट माथै नागरिकता दिने पञ्चपाती प्रचलनको सट्टा आमाको नामबाट पनि सन्तानले नागरिकता पाउने
- राज्यको सबै अंगमा कतिमा एक तिहाइ महिला सहभागिता हुने गर्ने
- महिलालाई भेदभाव गर्ने सबै कानुनहरू अविलम्ब खारेज गरिने
- महिला विरुद्ध हुने सबै प्रकारका हिंसाको अन्त्य गर्ने

संसदको यो घोषणालाई एक भई लागू गरौं!

केन्द्रीय महिला मन्त्रालय-नेपाल ट्रेड युनियन महासंघ (राज्यस्तरीय) ट्रेड युनियन (वि.एक.)

PARLIAMENT MADE A LANDMARK DECLARATION FOR GENDER EQUALITY; LET US IMPLEMENT IT!

*Women position 33% in all State Bodies including political parties •Guarantee of Citizenship on the basis of both mother & father •Annulment of all discriminatory laws and practices against women

Joint agreements and codes of conduct have been prepared among the government, employers, and trade unions, and a tripartite declaration has been made for gender equality and promotion in the world of work.

The efforts made by GEFONT in this regard are commendable. When GEFONT was formed on 20 July 1989, the representation of women in central leadership positions was nil. To bridge this gap, GEFONT initially hired an employee of a private school who was in the movement active outside the trade union's umbrella for a short period, as a 'collaboration for leadership development.' Significant success was achieved in short period through continuous training in factories and workplaces. Within two decades of its establishment, GEFONT, achieved women representation in leadership, from zero to 33 percent.

GEFONT's movement has not only made progress in numbers but has also achieved remarkable success in capacity building. Bidhya Devi Bhandari, the former head of GEFONT's Central Women Workers' Department, became the first female Defence minister and the first female President of Nepal. Women leaders empowered within GEFONT, numbering more than a dozen, have been visible in various roles in the Constituent Assembly, House of Representatives, National Assembly, and Provincial Assemblies. GEFONT members have served as representatives not only within international organizations, such as the ILO Governing Body, but also in constitutional bodies like the National Women's Commission. Many women leaders within the GEFONT family have taken on responsibilities such as mayors, deputy mayors, and district coordination committee chiefs at the local level. These achievements can be summarised through the following slogans aimed at promoting gender equality:

- **Few but stable, Slow but Steady!** (when women's participation was extremely low in the trade union movement).
- **Cadre Top-100 Plan** (when the number of women shot up in the trade union movement).
- **Not mere Representation, Equal participation** (when GEFONT started to influence other organisations).
- **Twenty-five percent Women, twenty-five percent Men** (when the divide of "you" and "we" widens between men and women activists).

- **Eight March is of Ours Too** (when March 8 was termed as International Feminists Day).
- **We the women, We can do everything** (when women's job was treated as inferior one).
- **In this Election, whom should women vote for?** (when time came to intervene in political campaign).
- **Women's Participation: Inclusive and Proportional** (when focus was on Class+3, i.e.; class plus gender, caste & ethnicity and regional imbalance)
- **Equal rights, Dignified Work and Prosperous Life** (when Eight March movement marked 100 years).
- **Balance between Work and Life** (when women were thought to be capable to compete effectively in the world of work).
- **Equal participation in family responsibility- in the Trade Union, Women's inevitability** (when family-care was considered as a full-time job of women only).
- **In the entire sector, working women participation- Perfection of the new constitution** (when Constituent Assembly was being elected).
- **It's a Crime! Do not Commit or Tolerate -Attack on Violence Against Women!** (When violence against women seems crossing the limits in our family, workplace and society).
- **Make It Happen!** (acknowledging the need for improvements in women's representation, membership growth, gender-based division abolition, work-life balance, and anti-violence efforts).
- **Count Us In!** (when women's work was neglected the urge to value women's work financially)

These slogans capture the essence of GEFONT achievements and its commitment to gender equality in various spheres of society.

6. PROFESSIONAL MOVEMENTS for the Democracy and New Constitution

The initiation of the employee movement in Nepal began on, during the struggle for democracy. Organised under the leadership of Maheshwar Man Chhochu, in the guidance of the Nepal Communist Party, the All Nepal Low-Paid Civil Servant's Union advanced this movement (KC, 2014). After the establishment of democracy, the union raised eight demands, including the minimum wage, pension, job security, and others. From 1 June 1952, there was a week-long strike in response to these demands. Although the government fired 23 leaders from job, including union's President, and detained around 200 people, it failed to suppress the movement. Further it sparked, and the government compelled to make significant improvements in the salary and benefits of employees. However, in an attempt to control political activities, the government imposed a ban on any political activities by the union on 30 June.

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In the backdrop of the 1990 democratic movement, government employees conducted a strong movement to support proposed programs. Engaging in activities like tying black ribbons on their arms at the workplace and observing a "pen down," civil service and public enterprises employees raised their voices against autocracy. During this movement, 95 employees were arrested, but due to their unity, the government was compelled to release them immediately. After the restoration of multiparty democracy,

rights to organise for employees in the civil service and public enterprise were granted. On 13 April, a National Gathering was organized. As per its decision, on 20 April 1990, the Nepal Government Employees Organisation was established.

Following the establishment of the Government Employees Organisation, employees of public enterprises intensified their movement for professional rights and union. Instead of addressing the employees' demands, the government led by the Nepali Congress, as usual, instigated its supporters to form a parallel organisation. Consequently, a nationwide movement began on 28 October 1990. This movement led to the registration of the organisation, but other demands were kept on hold, agreeing to address those 15 days after the promulgation of the Constitution. However, the government proved to be dishonest, resulting in the resumption of the movement. As the general elections of 1991 approached, the government reached another agreement with the employees.

After the election, the new government under the leadership of the Nepali Congress continuously avoided fulfilling the employees' demands. The situation escalated, leading to a historic agitation starting from 30 June 1991, under the leadership of the Nepal Government Employees Organisation. This movement, lasting for 56 days, gained attention at home and beyond the border. A bilateral agreement ended the movement, but instead of implementing the agreement, actions against the agitators began. During the course of the movement, two lives were lost, and around 500 individuals were dismissed. Retaliatory actions such as suspension, grade freeze, dismissal, and transfer affected about 5,000 employees. For a while, the organization dispersed.

Similarly, on 5 April 1990, employees of the then Nepal Telecommunications Corporation (now Nepal Telecom) launched a protest program, 'tying black ribbons' on their arms at the workplace, and a 'pen down/ tool down' strike for democratic rights. Employees from other Public Enterprises (PEs), banks, financial institutions, and government services also joined the protests against government repression and cruelty within their office premises, tying black ribbons on their arms.

On 8 April 1990, the ban on political parties was lifted, and on 10 April, employees of the Nepal Telecommunications Corporation formed the Nepal Telecommunications Employee's Association. Within one month (on 10 May 1990), representatives from 25 Public Enterprises (PEs) participated in a gathering which decided to form a National Federation for PEs, Banks, and Financial Institutions. On 16 May 1990, trade unions from 47 PEs formed the Inter-Corporation Employee's Union, Nepal.

After a dialogue with the leadership of the newly formed union, the interim government agreed to prepare a directive for the formation of trade unions and their operation in Public Enterprises (PEs) and the civil service. Based on the report of the task force comprising union and government representatives, it was decided to establish a single trade union in workplaces across all sectors and to form a national federation with one union for PEs and another for the civil service. In 1990, the Kathmandu District Administration registered the Inter-Corporation Employee's Union. In 1995, the Inter-Bank Employees' Union separated from the Inter-Corporation Employee's Union.

During the Panchayat period, various legally registered professional organisations in Nepal, such as the Nepal Overseer's Association (now known as the Diploma Engineers Association, Nepal), Nepal Para-Medical Association, Nepal Bar Association, Nepal University Teachers' Association, and other professional groups, were quite active and functional according to their strengths.

Alongside the leadership of the Public Enterprises Employee's Union, there was also a movement for the improvement of professional benefits during 2000. This movement also drew attention all over Nepal."

Similarly, during the peaceful mass movement of 2006, unions of Nepali civil service and public enterprises launched impressive movements. Despite the agreements of the reinstated parliament to grant trade union rights to all, a delayed decision provoked the civil service sector to launch agitation again. After the resolution was passed in the parliament to grant trade union rights to employees up to the under-secretary level, an agreement was reached. However, after the amendment of the Civil Service Act, the provision of trade union rights remained applicable only to the section officer's level. In 2020, the CPN (UML) led government



GEFONT published a May Day poster to celebrate the success of the People's Movement of 2006

held authentic union elections for civil service employees at the national level. This marked a unique experiment in South Asia for employees in the civil service.

During the People's Movement of 2006, various professional organizations not affiliated with any national trade union centre—such as the University Teacher's Association, Nepal Medical Association, Teacher's Union of Nepal, Nepal Bar Association, Federation of Nepali Journalists, Nepal Engineers Association, among others—formed a loose forum that significantly contributed to the establishment of the Professional Association for Peace And Democracy (PAPAD). This network played a crucial role during the period, conducting demonstrations and mobilization in the Kathmandu Valley and the headquarters of other districts. Even after the establishment of democracy in 2009, when the CPN (Maoist) called for an indefinite general strike spreading anarchy on Kathmandu, PAPAD demonstrated a huge mass to refute such anarchic activities.

Annex: 2

OUR WORLD OF WORK: A GLIMPSE

(20 JULY 1989 – 31 DECEMBER 2023)

Date	Issue
1989	<ul style="list-style-type: none"> • General Federation of Nepalese Trade Union (GEFONT) established as a common 'umbrella' of active trade unions. It led the entire labour movement for the end of panchayats and restoration of multi-party system.
1990	<ul style="list-style-type: none"> • For the first time, the government formed the National Labour Advisory Committee with the representation of GEFONT. The advisory committee started a nationwide campaign to solve the labour problem. • Nepal Trade Union Congress (NTUC) was established. Its establishment leads to the division of ideology in the Trade Union. • GEFONT organized the Second National Cadre Conference as its first public event. Following the event, the ad-hoc committee formed was dissolved and the leadership was reorganized with the formation of two tiers: Directorate Committee and an Executive Committee. • After the restoration of the multi-party system, the minimum wage was determined for the first-time: recognition of union representation. • Publication of "Shramik Khabar" was started as the first trade union newspaper which is published on the first week of every month. • GEFONT Convened first women worker's workshop. • GEFONT mobilized Workers for timely promulgation of New democratic Constitution.
1991	<ul style="list-style-type: none"> • Three non-governmental bills related to labour were registered in the parliament by Mukund Neupane, the then member of the House of Representatives and Director General of GEFONT. The first non-governmental bill created uproar in the parliament. The Prime Minister removed the Minister for Labour and the Secretary of Labour. • The quarterly publication of "Workers News" began as the first English newspaper of the workers. • The Non-Governmental Labour Bill presented by the Director General of GEFONT was rejected by the majority of the House of Representatives. • Labour Bill1992 was registered in Parliament by the government.

Date	Issue
1991	<ul style="list-style-type: none"> • Labour Bill 1992 was tabled in the Parliament for discussion. • Labour Bill 1992 with amendments was passed by the House of Representatives. • GEFONT First National Congress convened (March 28-31) which documented the history of Nepali Trade Union movement.
1992	<ul style="list-style-type: none"> • GEFONT formed a Central Women's Labour Department with the same rights as member unions. • Labour Act 1992 was promulgated. • Act relating to Children 1992 was promulgated. • Fourth Amendment in the Bonus Act 1974 was made. • Memorandum was submitted to the Prime Minister for the first time demanding paid leave for working women on 8th March.
1993	<ul style="list-style-type: none"> • Trade Union Act 1993 was promulgated. • Vehicle and Traffic Management Act 1993 was promulgated. • First amendment in the Foreign Employment Act 1985. • GEFONT started the Trade Union Education Campaign (TRUE-Campaign) as a systematic labour-education programme which lasted for 9 months. • GEFONT Resource Centre was established as a collection centre for labour related materials. • First amendment in the Vehicle and Traffic Management Act 1993. • Labour Regulations 1993 and Tea Plantation Labour Regulations 1993 were enacted. • Trade Union Ruled 1993 was enacted.
1994	<ul style="list-style-type: none"> • GEFONT established an Emergency Fund Scheme. • GEFONT filed the first case in the ILO General Assembly regarding the representation of trade unions at the International Labour Conference. • Model strike of transport workers of Birgunj with the demand of permanent appointment to those who have worked for 240 days and temporary appointment to those who have not completed 240 days. • The strike ended with an agreement that the employer would bear all the expenses of the staff for the vehicle broken down on the road. • GEFONT organized the International Trade Union Conference, 38 organizations from 15 countries took part in that conference. • From the side-line meeting of this conference, an agreement was reached between the trade union of South Korea (currently KCTU) and GEFONT to settle down migrant Nepali workers in Korea.

Date	Issue
1994	<ul style="list-style-type: none"> • Rules relating to Children 1994 was enacted. • Paid leave for women workers on 8 March was announced. • The minimum wage was revised. This time Rs 300 (USD 2.25) was added to the allowance. • ILO Trilateral Convention No. 144 ratified by Nepal.
1995	<ul style="list-style-type: none"> • The Working Journalists Act 1995 was promulgated. • In accordance with the Trade Union Act 1992, GEFONT was registered as the country's first recognized trade union confederation. • National Steering Committee of International Labour Organization's Child Labour Elimination Project (IPEC) was formed with representation of trade unions. Child welfare committee was formed. • GEFONT represented for the first time at the International Labour Conference. • National Labour Academy, NLA-Nepal was established. • An office of the Friedrich Evert Foundation was established in Nepal. • Labour Court Procedure Rules 1995 issued and Labour court was formed. • Kamaiya Liberation Forum formed as an affiliate of GEFONT. • Nepal Trade Union Congress was registered as the second confederation of trade unions. • The Second National Convention of GEFONT was held. It passed the blueprint of the National Labour Policy.
1996	<ul style="list-style-type: none"> • ILO Convention on Freedom of Association and Collective Bargaining No. 98 and Child Labour Convention No. 138 was ratified. • GEFONT announced an 'appeal movement' for the liberation of Kamaiya. • Regulations on Working Journalists 1996 was enacted. • The first general meeting of the "GEFONT Support Group (GSG)" (South Korea), which was formed as a beyond-border organization was held. • GEFONT 1st National Women's Workers Convention and Training was completed. • The special national session of Nepal Trade Union Congress was concluded.

Date	Issue
1996	<ul style="list-style-type: none"> • The first meeting of workers working in public industrial establishments was completed held. • According to the Labour Act- 1992, the National Labour Advisory Committee and the Minimum Wage Determination Committee were formed.
1997	<ul style="list-style-type: none"> • A split in the Nepal Trade Union Congress and Nepal Democratic Trade Union Federation (DECONT) was registered as the third confederation. • GEFONT represented Nepali trade unions at the 85th International Labour Conference. • Vehicle and Traffic Management Regulations 1997 enacted. • The minimum wage was revised on the recommendation of Minimum Wage Board. • A demand letter was submitted to the Ministry of Labour to implement a ten percent service charge in hotel sector. • The Ministry of Labour took a ministerial decision to form a study task force regarding the demand for ten percent service charge. • The first amendment was made in Labour Act 1992. • The second amendment was made to the Foreign Employment Act 1985 • The second convention of the Trade Union Congress was held.
1998	<ul style="list-style-type: none"> • First National Labour Conference was organized. • The first amendment was made to the Trade Union Act 1993 by including the process of formation of trade union rights by agricultural workers.
1999	<ul style="list-style-type: none"> • The first national congress of DECONT was held. • GEFONT organized a high-level Panel discussion on current affairs. • GEFONT organized its 10th anniversary. • GEFONT Celebrated 10th founding day. • After the release of the National Labour Policy for the first time, a seminar was organized with the aim of enriching the understanding of the trade unions and related parties. • A minimum wage determination committee was formed. • The minimum wage of agricultural labourers was determined. • GEFONT organized a workshop on Migrant Nepali Workers in New Delhi, India. • Bonus (First Amendment) Rules 1999 issued. National Welfare Fund was formed.

Date	Issue
2000	<ul style="list-style-type: none"> ● The minimum wage was reviewed. ● GEFONT Health Cooperative Clinic was inaugurated. ● GEFONT Central Office, Manmohan Labourers Building was inaugurated. ● The Third National Congress of GEFONT was held. ● 50,000 workers of institutes and banks went on strike. ● Kamaiya Liberation was announced. ● A joint declaration against child labour was issued by the three major trade union confederations. ● A high-level task force was formed between GEFONT and NTUC to form a unified trade union. ● Trade Union Committee for Gender Equality and Promotion (TUCGEP) formed. ● Nationwide strike of hotel workers started for ten percent service charge. ● Essential Services Operation Act was imposed in 12 sectors of different industry to prohibit strike including Hotel industry.
2001	<ul style="list-style-type: none"> ● GEFONT organized a South Asian workshop on Bonded Labour. ● An eight-point programme for political-economic-social change was announced by the then Prime Minister. ● GEFONT launched new web-portal, labournepal.org
2002	<ul style="list-style-type: none"> ● A common priority agenda for the year 2003 was agreed upon by the three unions. ● A tripartite declaration was made to promote gender equality in the workplace. ● The Third National Convention of NTUC was held. ● A conference of South Asian Women's Trade Union was held.
2003	<ul style="list-style-type: none"> ● Nepal Street Vendors Union (at present- Nepal self-employed workers' union) got the recognition of trade union federation. ● GEFONT Second National Women's Workers' Conference was held ● A joint workshop of GEFONT and NTUC to set agenda of single union was held. ● GEFONT organized series of workshops to finalize policy and programme before its congress. ● The police intervened on the protesting workers at Hotel Yak & Yeti. ● The minimum wage of workers was reviewed.

Date	Issue
2003	<ul style="list-style-type: none"> ● A national workshop on gender mainstreaming in the trade union movement was held. ● A letter of protest was handed over to President Ro Tae U through the Korean embassy by GEFONT demanding an end to the Suppression of workers in Korea. ● The implementation of the "Poverty Reduction Strategic Plan" the joint project of GEFONT-ILO was completed. ● GEFONT participated with a 43-member team in the World Social Forum in Mumbai, India. ● GEFONT announced the mini health insurance campaign. It was agreed that the project will cover the workers of Banke, Bardiya in collaboration with the Bheri Zonal Hospital.
2004	<ul style="list-style-type: none"> ● The Fourth National Congress of GEFONT was held. ● In protest against the brutal killing of 12 Nepalis by terrorists in Iraq, manpower agencies were vandalized and set on fire in Kathmandu. ● In memory of Nepali workers who were killed by terrorists in Iraq, a tribute meeting was organized by GEFONT. ● Nepal Barber Trade Union was established. ● ICFTU/GUF high level mission visited GEFONT regarding formation of a unified International Trade Union Con- federation. ● GEFONT established Women Workers Social Assistance Fund. ● The lockdown did not last even 2 days.
2005	<ul style="list-style-type: none"> ● Trade Unions and Employers organization agreed to set 19-point guidelines for drafting of Labour Act and Social Security Act. ● The Second National Labour Conference was concluded. ● Then king Gyanendra coup against the elected government and ban on political and union activity. ● The royal government banned the 8 March joint rally to be organized by TUCGEP. ● After took over, trade unions organized an open programme for the first time. A huge labour rally of tens of thousands was organized on the occasion of May Day in opposition to the imperial rule. This was a strong movement against the regressive imperial action. ● A protest was organized by 3 trade union confederations demanding the cancellation of fake trade unions registered with the support of the royal government.

Date	Issue
2005	<ul style="list-style-type: none"> ● With the slogan 'Workers' Solidarity for Democracy', a Wider National Workers' Conference was organized under the joint initiative of GEFONT, NTUC, DECONT and Nepal Teachers' Union. ● Three trade union confederations including GEFONT presented a protest letter to the Ministry of Labour against the Labour Ordinance to be issued by the Royal Government. ● A nationwide protest rally and assembly was organized by GEFONT, NTUC and DECONT against the Labour Ordinance, ● GEFONT opposed the Right to Information Ordinance issued by the royal government to restrict the public's right to information. ● "Labour and Creation" radio programme was launched by GEFONT. ● The then President of GEFONT Mukund Neupane and General Secretary Binod Shrestha were arrested by the royal government. National and international trade unions and various organizations sent thousands of protest letters to the King opposing the arrest. ● After national and international pressure, the then President of GEFONT Mukund Neupane and General Secretary Binod Shrestha were released. ● A demand was presented by the trade unions for solving the problems of workers working in both formal and informal sectors with a 35-day ultimatum. ● A comprehensive interaction between the top leaders of seven political parties and trade union leaders was held at Hotel Radisson regarding the people's movement. Unions announced that they would actively participate in the mass movement after the leaders expressed their commitment that the movement would not stop until the end and trade union right conferred to all sectors including civil service after restoration of democracy. ● Nation-wide mass movement started with the joint call of seven political parties against the royal regime. A general strike was announced by workers in all industries, educational institutions, transport, construction, civil, health and public services. Hundreds of workers were arrested, including Lalit Basnet, the then vice president of GEFONT. ● Nationwide general strike and mass movement continued. ● On the Nineteenth day of the general strike, the then king declared that the state would be run according to the demand of seven-political parties along with the restoration of the parliament at midnight.

Date	Issue
2005	<ul style="list-style-type: none"> ● A 72-hour ultimatum was given to trade unions for the repeal of the Labour Ordinance. ● It was announced that the 6 Royal Ordinance including Labour will be repealed by the House of Representatives. ● Labour rights were announced by the House of Representatives (the provision that government officials up to the undersecretary level may involve in trade unions activities). ● Mountaineer Darje Khatri hoisted the flag of GEFONT on the summit of Mount Everest. ● The joint delegation of GEFONT, DECONT and NTUC presented a memorandum to the then Prime minister Girija Prasad Koirala for making the necessary laws regarding the creation of a single union. ● Speech delivered at the 75th International Labour Conference in Geneva by the GEFONT representative.
2006	<ul style="list-style-type: none"> ● The Third National Working Women's Conference organized by GEFONT was held. ● A common suggestion was submitted by 3 trade unions, including GEFONT, to the Interim Constitution Suggestion Commission. ● 28.89 percent increase in minimum monthly wages and 39.9 percent increase in daily wages. ● A 14-day strike was held by the workers in tea plantations demanding wage revision and it was end with 15-point agreement. ● GEFONT organized a large National Women's Conference. ● Street net International's Asian Workshop was held in Nepal for the first time. ● The International Trade Union Confederation (ITUC) was established by the International Trade Union Conference held in Vienna, Austria. As a non-affiliated trade union in Asia, GEFONT became a founding member and was elected to its International Council. ● After a 2-day strike by hotel restaurant workers in Pokhara, wages were increased. ● A 10-point manifesto was issued for industrial peace in Lahan by the trade unions. Through this declaration, there was an agreement of cooperation between the unions in the direction of building a single federation. ● The South Asian Conference on Hotels and Tourism was held under the auspices of IUF. ● An agreement was reached to implement 10 percent service charge in the hotel sector.

Date	Issue
2007	<ul style="list-style-type: none"> ● An interim constitution was announced with the provisions of the Labour Commission. ● The first national gathering of private and residential schoolteachers/employees was held under the organization of GEFONT. ● A union of domestic workers was formed under the leadership of GEFONT. ● A memorandum was presented by the Joint Trade Union Coordinating Centre demanding the representation of the working class in the Constituent Assembly. ● A high-level conference was organized by GEFONT for social transformation. ● A voter education campaign programme for the Constituent Assembly election campaign was announced by GEFONT. ● A workshop on working women in the constitution was organized under the auspices of GEFONT.
2008	<ul style="list-style-type: none"> ● The Constituent Assembly election was held according to New Interim Constitution. ● Four trade union leaders, including the then vice president of GEFONT, Bishnu Rimal, and deputy general secretary Binda Pandey, were elected as members of the Constituent Assembly. ● The Constituent Assembly declared the abolition of the monarchy and declared the state as republic. ● The minimum monthly wage was revised. ● The Second South Asian Conference of Women Trade Unionists organized by GEFONT was held. ● Labour and creation television programme was launched by GEFONT. ● The Fifth National Congress of GEFONT was concluded in Kathmandu.
2009	<ul style="list-style-type: none"> ● After the government decided to close seven forest resorts operated within the Chitwan National Park, the workers went on strike. ● The 20th annual celebration event was organized by GEFONT and on the same day ILO launched the campaign for Convention 87 ratification. A memorandum was presented to the then Speaker. Honoured the older generation union workers with the slogan of “twenty years of transformation”. The campaign to ratify Freedom of Association Convention No. 87 was started by distributing pamphlets nationwide and mobilizing workers.

Date	Issue
2009	<ul style="list-style-type: none"> ● GEFONT organized a discussion programme between members of the Constituent Assembly and trade unionists on the labour agenda in the constitution. ● GEFONT First National Youth Conference was held. ● The Fourth National Working Women's Conference was held with the slogan 'Equal rights, decent work and dignified life'. ● Hotel workers in Biratnagar went on strike demanding service charges.
2010	<ul style="list-style-type: none"> ● Indian Airlines was ordered by the Supreme Court to comply with the labour laws of Nepal regarding the demands of the workers. ● A wage increase card campaign was started by GEFONT demanding wage increase. ● A Memorandum of Understanding (MoU) was signed between GEFONT and KCTU to protect the rights of Nepali workers working in Korea. ● Madhav Neupane, founder member of GEFONT, died. ● The campaign to sign an agreement with the trade unions of the destination country for the protection of migrant Nepali workers was started. ● Social security fund was established. ● A minimum wage determination committee was formed.
2011	<ul style="list-style-type: none"> ● and employers' organizations on the issue of wage increase and implementation of social security. ● The agreement between trade union federations and employers' organizations was approved by government on 24 April 2011 regarding the implementation of social security including increase in minimum wage to be applicable to all enterprises except tea estate. ● Mount Everest climber Dorje Khatri hoisted the ITUC flag on Mount Everest. ● GEFONT (Binda Pandey) was elected as a deputy member of the ILO Governing Body for the first time. ● An agreement was reached to increase the wages of tea estate workers. ● The Second National Trade Union Conference was held under the organization of Joint Trade Union Coordination Centre. ● The daily wages of agricultural workers were determined to be applicable throughout the state of Nepal.

Date	Issue
2011	<ul style="list-style-type: none"> ● An agreement was reached between trade union confederations GEFONT organized an interaction with the newly appointed Labour attaché from South Korea, Malaysia, Kuwait and UAE. ● A campaign was conducted by GEFONT in 6 different places for labour audit. ● GEFONT organized a national gathering of chairperson of large enterprises (employing more than 200 workers).
2012	<ul style="list-style-type: none"> ● GEFONT signed memorandum of understanding with KTUF Kuwait and GFBTU Bahrain to protect Nepali migrant workers in respective countries. ● A nationwide campaign was started with the demand of 10 percent representation of workers in all elected bodies. ● In the name of GEFONT founding members - late Madhav Neupane Award and late Nuru Wangxu Sherpa tradition of award distribution was started. ● Dorje Khatri, central member of UNITRAV, reached the summit of Mt. Everest for the eighth time with the flag of newly established Global Union Federation - Industry All. ● The Third National Labour Conference was held. ● The first historic labour concert was organized (Khanar, Sunsari). ● The Fifth National Women Worker's Conference was concluded with a commitment and code of conduct to end violence against women.
2013	<ul style="list-style-type: none"> ● The minimum wage was determined to be applicable in all enterprises other than tea estate. ● The second National Youth Workers' Conference of GEFONT was completed. ● The minimum wage of tea plantation workers was determined. ● Three leaders of GEFONT were elected to the second Constituent Assembly. ● The Sixth National Congress was held. ● The Congress established the GEFONT Trade Union Policy Institute (TUPI). It was decided to launch a Regular Trade Union School on the subject of labour education.

Date	Issue
2014	<ul style="list-style-type: none"> ● GEFONT (Binda Pandey) was elected as a deputy member of the ILO Governing Council for the second time. ● The Third ITUC World Conference held in Berlin established an international award recognizing Mr. Dorje Khatri as a Trade Union Hero of the Climate Campaign. ● A grand ceremony was held on the twenty-fifth foundation day of GEFONT. ● The ceremony was addressed by the President of the Constituent Assembly Subash Nembang, Director General of ILO Guy Ryder, Secretary General of ITUC and others. ● GEFONT Solidarity Fund was established with amount of 1 Crore and all affiliate and local unions are requested to contribute to the fund. ● GEFONT signed an agreement with the Department of Foreign Employment to mobilize volunteers to orient those going for foreign employment at the premises of the Foreign Employment Department before their departure. ● GEFONT started a regular Trade Union School.
2015	<ul style="list-style-type: none"> ● The minimum wage was revised. ● Trade unions organized a press conference in Kathmandu demanding the protection of workers in Qatar. ● The devastating earthquake killed more than 9,000 people. Thousands of buildings and structures were destroyed. ● Nepal Forum was organized in Geneva, Switzerland. 150 representatives from different countries participated in the forum. ● GEFONT constructed and handed over 37 houses and a community building to the earthquake victims in Chature village of Kavre district. Earlier, in addition to distributing relief materials worth 2 crores, a month-long volunteering campaign helped in the removal of destroyed structures and construction of temporary towers in various places. ● The government approved the 'Free Visa Free Ticket' policy. From this, the limit was set that the agencies can take a maximum of Rs 10,000 as service fee from the workers going to work in 6 Gulf countries and Malaysia. ● The trade union submitted suggestions to the Chairman of the Constituent Assembly, Subash Nembang, to incorporate the labour issues in the new constitution. ● Nepal and Israel signed a trial agreement to open the market for care givers. ● Constitution of Nepal promulgated by the Constituent Assembly.

Date	Issue
2015	<ul style="list-style-type: none"> ● India imposed an undeclared blockade on the main points of the border with Nepal saying that the new constitution of Nepal is not inclusive. ● There was a protest against the Indian blocked by trade unions including GEFONT. ● Ms. Onsari Gharti was elected as the country's first woman speaker. ● Ms. Bidhya Devi Bhandari was elected as the country's first woman president. ● The President Bidhya Devi Bhandari inaugurated the first session of the Labour Parliament. ● Bishnu Rimal, Chairman of GEFONT, appointed Chief Advisor to the Prime Minister. ● GEFONT Support Group in Malaysia, Qatar and UAE organized various programmes on the occasion of Migrant Workers Day. ● GEFONT National Representative Council meeting started; interactive programme was organized on new constitution and labour issues. ● GEFONT started a 1-month national campaign with the demand to address the new constitution and other contemporary political and labour issues. ● Determining the minimum wages of workers/ employees working in tea estate. ● India lifted the blocked. ● Ms. Sushila Karki appointed as the country's first woman Chief Justice.
2016	<ul style="list-style-type: none"> ● A discussion was held between the trade union and the reconstruction authority about post-earthquake reconstruction. ● JTUCC and employer organization handover bill on Labour Bill and Contribution-based Social Security Bill jointly to the Labour Minister to approve by parliament. ● Government submitted Labour Bill and Contribution-based Social Security Bill in the parliament for adaptation. ● GEFONT and JTUCC lunched series of interaction programme on the Labour Bill and the Social Security Bill though out the county. ● JTUCC demands withdrawal of amendment to Industrial Enterprises Act which contain anti-labour provision.

Date	Issue
2017	<ul style="list-style-type: none"> ● The book 'In the Name of Working People' written by Bishnu Rimal, President of GEFONT, was published. ● GEFONT (Binda Pandey) was elected as a deputy member of the ILO Governing Body for the third term. ● A bill to amend Industrial Enterprises Act was introduced in the parliament curtailing the freedom of association and JTUCC filed a complaint against Nepal government in ILO. ● GEFONT organized an interactive programme on labour audit to be mentioned in the Labour Rule. ● Bishnu Rimal, the then chairman of GEFONT, was appointed as the chief advisor to the Prime Minister for the second time. ● The trade union protested against the repression in Manipal Hospital. ● GEFONT handed over the community buildings constructed in Sindhupalchowk and Nuwakot district as social responsibility after earthquake.
2018	<ul style="list-style-type: none"> ● The GEFONT Working Women's Conference was completed by electing a new leadership. ● GEFONT Third National Youth Conference was concluded. ● The Seventh National Congress of GEFONT was completed by electing a new leadership. ● KP Sharma Oli led government submitted and adopted 18 bills to implement fundamental rights conferred by constitution including Employment Act. ● Agreement to implement basic salary of tea plantation workers after the protest. ● Binod Shrestha, President of GEFONT, and Jagat Simkhada, President of ANTUF, were selected as coordinators of the GEFONT and ANTUF unity working group. ● A joint project of Tribhuvan University and GEFONT-TUPI organized a workshop to finalize the course of labour studies at the post-graduate level. ● An interaction was held with the leaders of the trade union association/confederation to finalize the social security schemes.

Date	Issue
2019	<ul style="list-style-type: none"> ● GEFONT High Level Policy Conference on Improved economy and prosperous working class held. ● GEFONT gathered Local Union Representative to discuss about labour audit system newly introduced by labour rule. ● GEFONT published its first labour audit report during the initial period of implementation of labour laws in the eve of May Day. ● Discussion programme on Gender Assessment Report 2018 held. ● Discussion programme held on Trade Union role and Responsibility on Industrial relation ● High-level meeting with employers' organizations on industrial level collective bargaining held. ● Finalized curriculum of Master of Labour studies jointly held by Tribhuban University and GEFONT-TUPI ● Prime Minister employment programme lunched. ● Celebrated founding day of Contribution-based social Security and this was an event of beginning of new era. ● Labour and Employer conference held with tripartite participation. ● Workshop on the occasions of International Migrant day was held. ● The first case of COVID-19 was reported on 31 December in Nepal
2020	<ul style="list-style-type: none"> ● GEFONT National Executive committee Meeting held in Butwal just before lockdown under threat of covid virus. ● Nepal's government has announced a nationwide lockdown following confirmation of the country's second case of the corona virus. ● GEFONT National committee Meeting held virtually first time in the history. ● GEFONT submitted suggestion to the government to protect the workers during lockdown and ask to provide PPEs to the workers in essential service and to deposit social security contribution to SSF on behalf of workers during lockdown. ● Government announced 2 months contribution would be deposited to social security fund during lockdown ● GEFONT celebrated May Day (virtual) and via television programme ● Nationwide lockdown ends but local lockdown continues ● Discussion between employers of outsource company and Union regarding implementation of social security system ● The house of representative was dissolved due to internal conflict within ruling communist party.

Date	Issue	
2021	<ul style="list-style-type: none"> ● GEFONT shares views on United Nation south Asia forum on Business and Human Rights ● Trade Union and Employers organization meeting conducted on Impact of Covid 19 and protection of job of workers. ● The dissolved house of representative was restored by the Supreme Court. ● Ruling communist party was divided due to an order made by the Supreme Court saying that unification process was illegal. ● Second phase of lockdown imposed due to Covid 19. ● May Day celebrated virtually including live programme from Nepal Television. 	
	<ul style="list-style-type: none"> ● GEFONT NEC meeting conducted virtually on impact of lockdown. ● Discussion held on the draft of Informal Economy workers registration procedure in Local government ● GEFONT Congress Delegates Council Meeting conducted (virtual +) ● Tripartite discussion programme on ILO C. 190 and Gender based Violence & Harassment against Women held. ● CPN (UML) congress held in Chitwan ● First Gathering of Sport workers to form new union conducted ● International Migrant workers day Celebrated ● National Youth workers gathering concluded in Kathmandu 	
	2022	<ul style="list-style-type: none"> ● Celebration of International Working Women's Day & GEFONT Women's Conference at Kathmandu.
		<ul style="list-style-type: none"> ● Worker's commemoration day celebrated.
		<ul style="list-style-type: none"> ● Celebrations of May Day 2022 by GEFONT within and outside the country.
		<ul style="list-style-type: none"> ● GEFONT national committee and officials of affiliates preparatory meeting of GEFONT congress held
		<ul style="list-style-type: none"> ● Disseminated Report on the Impact of Climate Change on the tourism sector
		<ul style="list-style-type: none"> ● GEFONT youth Congress concluded and elected new leadership
		<ul style="list-style-type: none"> ● GEFONT Eighth National Congress concluded (23-26 July 2022).
		<ul style="list-style-type: none"> ● GEFONT finalize workers agenda on forth coming general election 2022.
	<ul style="list-style-type: none"> ● Workshop on GEFONT Code of Conduct Against Gender Based Violence 	
	<ul style="list-style-type: none"> ● International Migrant day Programme held with the dissemination of Fact Sheet of labour migration situation 	

Date	Issue
2022	<ul style="list-style-type: none"> ● Tribute programme of late Pabi Gurung, President of Nepal Beautician Workers Union- NABUN ● General election and Local Election held
2023	<ul style="list-style-type: none"> ● GEFONT orientation programme to the campaigners of Decent work campaign 2023 ● Interaction with Media on role of media on contemporary Workers issues ● Fixation of minimum wages; Rs. 17,300. ● The Prime Minister launched the enrolment of informal sector workers and self-employed workers in the social security fund based on their contributions. ● Strategic planning meeting of trade unions on right to safety and healthy working environment was held in Kathmandu after ILO announced the OSH convention as a fundamental convention. ● Celebrated International Women Workers Day 2023 ● GEFONT organised discussion on social security scheme to informal sector workers and migrants' workers ● The social security fund launched the enrolment of migrant workers. ● GEFONT warned the government on Grand celebration of May Day 2023 to not deny the workers' rights. ● Celebration of May Day in Doha, Qatar and

**FACTORY AND FACTORY WORKERS ACT 1959,
LABOUR ACT 1992 AND LABOUR ACT 2017
COMPARISON OF PROVISIONS**

Factory and Factory Workers Act 1959	Labour Act 1992
Law making Authority	
» Formulated by the then Council of Ministers in accordance with the power vested upon them.	» Formulated by the first elected parliament after the Restoration of Multiparty System.
Scope of the law	
<ul style="list-style-type: none"> » Applicable only in those Enterprise employing ten or more employees where the production by use of energy. » Applicable only in those Enterprise having more than 20 employees where the production is done without using energy. » Applicable to enterprise having any number of employees inside the Industrial Zone. » Official notification published on 15 December 1961 in Nepal Gazette regarding enforcement of some sections of Act in certain districts only. The whole Act has been fully enforced since the 19 June 1978. 	<ul style="list-style-type: none"> » Applicable only for enterprises employing more than ten workers. However, this act is applicable in those enterprises having less than 10 employees inside the Industrial Zone. » Not applicable in the case of part- time worker, trainee, foreign citizen, higher-level management, employees of Government owned enterprises, Schools and banks under certain circumstances.
Definition of Worker	
» The term "Labourer" refers to labourer, working on any tasks related to cleaning or maintaining a specific part of land or machinery used in production, or involved in any work associated with the production process or those who are employed in some Casual Task by receiving remuneration.	<ul style="list-style-type: none"> » The term "employee" refers to the person engaged in the Administrative Task of an enterprise. » The term "Employee" refers to any person who is hired for doing production work or providing services or those who are employed in some Casual Task by receiving remuneration (except for the manager, workers working in Piece Rate, direct Contract or working under contractor).

Labour Act 2017

- » Formulated by the legislature Parliament after promulgation of Constitution of Nepal by Constituent Assembly.
- » Applicable in all sectors of employment including domestic workers to enterprises having only one worker with an individual employer.

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- » "Worker" means a labourer or an employee or a person employed with any job title who performs a physical or intellectual work for the employer.
 - » The act also provides protection to the "management level employee," who holds the positions at or above the manager having authority to evaluate, control, and supervise the work of workers on behalf of employer.
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Factory and Factory Workers Act 1959	Labour Act 1992
Compliance of International Labour Standards	
<ul style="list-style-type: none"> » The law was enacted with a provision for establishing a Trade union, but this particular provision was annulled before the law came into force. » The act does not provide provision of 'rights' of any nature. 	<ul style="list-style-type: none"> » The Act had the provision of Prohibition of child labour and provision of collective bargaining. » The Act does not have any provision to prohibit forced labour, to end discrimination and recognised participation in trade union as a matter of right.
The Provision of the Labour Act shall be minimum standard	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » It was unclear on whether the Labour Act was the minimum or maximum standard.
Type and Terms and Condition of Employment	
<ul style="list-style-type: none"> » Even though there was provision of employment on Permanent, Temporary and Contractual basis, but no clear definition of such nature of employment was made. 	<ul style="list-style-type: none"> » Worker may be employed under permanent, contractual, daily waged basis. » The probation period was 240 days and a worker become permanent after completion of such period. Only the permanent workers entitled to benefits provided by the law.
Change in ownership	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » The change in ownership does not affect the terms and conditions of the workers.
Intern- Apprenticeship	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » The act is silent on it
On the job Trainee	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » The act is silent on it

Labour Act 2017

- » The core conventions of the ILO which has been ratified by Nepal have been assimilated and expressed through various articles of the Constitution of Nepal, the special paragraph prohibiting bonded labour, prohibiting child labour, ending discrimination, and recognizing the right to participate in collective bargaining and unions and making activities against them punishable has been added.
- » The Act has specified that the provisions of the Labour Act shall be the minimum standards for employment. No employment contract shall be made containing less favourable provisions than as mentioned under the Act and Rule. Any agreement lower than the minimum standards shall be declared void ab initio.
- » The worker shall be entitled to similar benefits from the date of employment irrespective of the terms of employment.
- » The probation period shall be 6 months (180 days) and the Act permits removal of a worker from service within this period. Terms of employment contract have been divided into 5 categories:
 - a) Regular employment (work of a continuous nature or work of any nature unless otherwise specified in the contract of employment),
 - b) Task Based Employment (appointment based on specification of the work),
 - c) Time-Bound employment (engagement specifying the time),
 - d) Casual Employment (if the number of days engaged is less than seven days in a months' period),
 - e) Part-time employment (work not exceeding a period of 35 hours in a week).
- » Continuing with the previous legal provision, a clear provision has been made that it does not matter even if the ownership is transferred under the Build-Operate-transfer model of business.
- » Any enterprise may engage a person as an intern and not as a worker as a requirement of a curricular of an educational institution. Working hours must be fixed and provisions related occupational safety must be ensured.
- » The Act has provisioned for the engagement of a trainee for a period not exceeding one year.
- » Minimum wage, sick leave and social security should be arranged for trainees.
- » If they are provided a job, no probation after trainee period in the same enterprise

Factory and Factory Workers Act 1959	Labour Act 1992
Part time employment	
» The act is silent on it	» The act is silent on it
Provisions related to work permit	
<ul style="list-style-type: none"> » A Foreign citizen can be appointed in Contractual basis after obtaining the work permit from Department of Labour. » Nepali citizen should be engaged by the manager of the factory to transfer the knowledge of such Foreign citizens. 	<ul style="list-style-type: none"> » No foreign citizen could be employed without work permit from Department of Labour. » Benefit for a foreign citizen was limited to those specified in the Contract. » Nepali citizen should be engaged by the manager of the factory to transfer the knowledge of such Foreign citizens. » Foreigners can be employed for a maximum of seven years on a two-year basis at a time.
Working hours and overtime	
<ul style="list-style-type: none"> » 8 working hours per day and 48 working hours in a week. » 1 day break in a week. » Provision of overtime for women and Child is maximum of 3 and 2 hours per day respectively and 15 and 10 hours weekly 20 hours in a week. » Workers are not made mandatory to perform overtime work. 	<ul style="list-style-type: none"> » 8 working hours per day and 48 working hours in a week. » 30 minutes break after 5 hours of continuous work. » Provision of 20 hours' overtime in a week. » Workers are not made mandatory to perform overtime work.
Issue concerning women workers and gender equality	
A female worker could only be engaged only between 6 am to 6 pm.	» A female worker could be engaged only between 6 am to 6 pm.

Labour Act 2017

- » The Act permits part time employment for work requiring less than 35 working hours per week.
 - » The part time workers shall be entitled to benefits, like other, on the basis of their working hours and shall also be entitled to work at other places.
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- » No foreign citizen could be employed without work permit from Department of Labour.
 - » Work permit may be granted after keeping record of such for the Chief Executive and limited number of workers as prescribed by rule of the enterprise involving foreign investment, even if the process for work permit has not been fully completed.
 - » A person of a technical field or the expert whose work is of instalment of new technology or engaged in other Casual Task, and a duration of less than 3 months may be permitted for work after keeping a record of such.
 - » Period of employment shall be as specified in the Contract. However, other benefits shall be equivalent to that of Nepali citizen.
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- » 8 working hours per day and 48 working hours in a week
 - » 30 minutes break after 5 hours of continuous work.
 - » 4 hours (per day) and 24 hours (per week) of overtime.
 - » Although workers are not bound to perform overtime work, however, employer may ask to perform overtime, in case where a non-performance of an act adversely affects life, security or health of the people or causes substantial loss to the employer.
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- » Transportation facilities for women whose work commence before Sunrise or ends after Sunset.
 - » It has included provisions to punish sexual harassment at workplace.
 - » It states that suitable work shall have to be given after a woman notifies of her pregnancy in order to avoid adverse health impacts.
 - » Mandatory inclusion of 2 female representatives in the Central Labour Advisory Council from both side the employers' and trade union.
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Factory and Factory Workers Act 1959	Labour Act 1992
Provision related to remuneration	
<ul style="list-style-type: none"> » Remuneration shall be provided every month » Wage committee and one of more sub-committee may be formed to study situation in various place to advice to the Government for the determination of minimum wage and which will be published in the Nepal Gazette. 	<ul style="list-style-type: none"> » It provided a provision for revision of minimum remuneration but was silent on the interval in which it would be reviewed. » It provided for payment of remuneration on daily, weekly, partial and monthly basis. » Permanent workers completing one year employment were entitled to yearly increment equivalent to half-day's salary. » No provision for festival expenses such as the Dashain expenses, even for permanent workers.
Union fees to be deducted from the Remuneration	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » Indirectly, the Act has prohibited deduction of Union fees from the workers' salary.
Lay off and remuneration for this period	
<ul style="list-style-type: none"> » Under special circumstances, the factory or any part thereof can be closed down or the production could be cut down by taking the prior approval of the Labour Department. » Workers who have completed one year of uninterrupted service will get half of their salary during laid off period. » Workers not paid in case the seasonal factory not in operation during the off season and workers absent during laid off period. » Worker in lay off may be employed in another factory which is under the control of the management and lies within a distance of five kilometres on full pay but if the employee do not go to work, they will not be paid. 	<ul style="list-style-type: none"> » Lay off the workers, an approval is required from Labour Office. » Half salary shall be paid during the period of lay off. » During the lay off period, the worker can engage in alternative work. Upon receiving notification to be present, the worker is expected to be present; however, failure to do so will result in non-payment.

Labour Act 2017

- » The government shall form a permanent tripartite committee in order to determine the Minimum Remuneration. Review process shall take place every 2 years. It shall begin on 1 Baisakh (15 April) and shall come into force from 1 Shrawan 1 (15 July).
 - » It has further provisioned that payment of remuneration shall not exceed an interval of one month and it also prohibits reduction of the current salary and facilities.
 - » Every worker who has completed one year employment shall be entitled to grade increment equivalent to half-day's salary irrespective of their employment relationship. However, additional increment may be based on performance evaluation system.
 - » A worker shall be entitled to Festival expenses equivalent to one month's basic salary every year. However, if a worker has not completed 1-year employment, festival expenses shall be provided on a pro rata basis.
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- » The Act has introduced new provisions for deduction for membership fees to the Union and collective bargaining fees from the salary of the workers.
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- » If there arises an unavoidable situation where it becomes impossible to reach or operate at the workplace, then the employer may declare lay off for a period not exceeding 15 days without any approval if the situation is attributable to insufficient supply of electricity, water, raw materials or economic resources. If the lay off period is to exceed the aforementioned period, then consultation with Authorized Trade Union or Labour Relation Committee is mandatory.
 - » Half salary shall be paid during the period of lay off.
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Factory and Factory Workers Act 1959	Labour Act 1992
Provision related to leave	
<p>The provision of paid and unpaid leave for the workers working in factories are as follows:</p> <ul style="list-style-type: none"> » Weekly leave – One day in a week » Public Holiday- 12 days paid Leave » Public holiday is determined by the Work’s Committee. » Home leave- 1 day leave for 20 working days for the Permanent workers only. » Sick leave – 15 days with half salary for permanent workers only. In such situation, certificate of the Medical Official is mandatory. » Maternity leave - 45 days (Paid), such leave is provided for the period of two times during the employment period. » Home leave could be accumulated for 60 days and Act is silent regarding accumulation of sick leave. » Special Leave: 30 days unpaid leave is allowed once in a year, in case of no remaining home leave. 	<ul style="list-style-type: none"> » Based on the principal that leave is a privilege and not matter of a right. » Leaves: Weekly leave – One day in a week » Public Holiday- 13 days paid remuneration » Home leave – 1 day leave for 20 working days » Sick leave – 15 days with half salary for permanent workers only » Maternity leave 52 days, 45 days for workers at tea estate, such leave is provided for the period of two times during the employment period. » Obsequies leave- 13 days (for permanent workers who are required to perform the last rites) » Special Leave: One month at a time and up to six months in total service period without pay.
Provident fund and gratuity	

Labour Act 2017

- » Recognized sick leave, obsequies leave and maternity leave as matter of right and other leaves as privilege.
 - » Leaves:
 - » Weekly leave - 1 day in a week
 - » Public Holiday - 13 days including May Day and 14 days for women including International Women's workers Day (paid leave)
 - » Substitute Leave - Must be given within 21 days of work.
 - » Home leave - 1 day leave for 20 working days, however, educational institutions or workers receiving annual or winter leave exceeding the above-mentioned days shall not be entitled to the leave.
 - » Sick leave - 12 days paid leave for all workers
 - » Maternity leave - 60 days with pay and a total 98-day leave. Equivalent leave in case of miscarriage for 7 months pregnancy.
 - » Paternity leave: 15 days Paid leave for the husband (maternity care leave).
 - » Obsequies leave - 13 days leave with pay in case of father/mother or father-in-law/mother-in-law for female worker
 - » Home leave can accumulate up to 90 days and 45 days in case of sick leave.
 - » Accumulated leave may be encashed.
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Factory and Factory Workers Act 1959	Labour Act 1992
<ul style="list-style-type: none"> » Pension, gratuity and provident fund and maternity allowance should be paid by the factory manager. » Permanent workers entitled to receive provident fund. Manager had right to deduct 10 percent of their salary every month and contributes an equal amount to the provident fund. » Workers who have been employed for five years or more will get lump sum gratuity at the following rates: » Workers who have been employed for 5 to 10 years, the salary of the last 1-3 months for each year of service, » Workers who have been employed for more than 10 years and less than 15 years, the last half month salary for each year of service, » Workers who have been employed for more than 15 years, the salary of the last 2/3 months for each year of work. » The amount of gratuity should not be more than Rs. 3,500, Rs. 8,000 and Rs. 10,000 respectively. » No gratuity shall be paid to temporary, contractual worker or worker dismissed for misconduct. » The workers of the factory to be retrenched will get only one of the retrenchment compensation or gratuities. 	<ul style="list-style-type: none"> » Permanent workers entitled to receive provident fund. Manager had right to deduct 10 percent of their salary every month and contributes an equal amount to the provident fund. » Permanent Workers will receive the gratuity after completion of three years of service. » While providing Gratuity: » Workers who have been employed for 3 to 7 years, the gratuity amount shall be equal to half of the basic salary of that year multiplied by the service period » Workers who have been employed for 7 to 15 years; the gratuity amount shall be equal to two-third of the basic salary of that year multiplied by the service period » Workers who have been employed for more than 15 years, the gratuity amount shall be equal to monthly salary of that year multiplied by the service period » No gratuity shall be paid to worker dismissed for misconduct.

Labour Act 2017

- » From the date of joining, each worker under any form of employment relation, the employer shall have to deposit in the Social Security fund, by deducting 10 percent basic salary of the worker and adding an equal amount as Provident Fund and shall have to deposit 8.33 percent on a monthly basis as Gratuity.
 - » If pension facility has been provisioned then, the Act has enabled the provision of pension instead of gratuity, 20 percent of the basic salary to be contributed by the employer and 11 percent by the worker to the social security fund, and after this, the system of separate gratuity and provident fund is discontinued.
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Factory and Factory Workers Act 1959	Labour Act 1992
Compulsory Insurance	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » In case of disability, compensation equal to 5 years salary, » In case of death, compensation equal to 3 years salary, » No provision regarding the Medical and treatment insurance. However, all cost regarding treatment of worker should be paid by employer in case of accident while on duty. » Provision of Accidental insurance, but if the insurance company pays the amount, no additional compensation is received.
Provision related to Labour Supply, (Outsourcing of labour)	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » The act is silent on it
Occupational Safety and Health	
<ul style="list-style-type: none"> » Special attention is given to matters such as obtaining permission for factory establishment, maintaining cleanliness in factories, and lighting and temperature inside workplace. 	<ul style="list-style-type: none"> » Provisions which were relevant only to factories, » Applicability of provisions related to occupational health and safety for workplaces involving intellectual or mental work were not considered.
Provision regarding specific enterprises (businesses)	
<ul style="list-style-type: none"> » The act is silent on it. » For enterprise other than factories, the government published a notice in Nepal Gazette regarding the applicability of the Act commence from 19 June 1978. 	<ul style="list-style-type: none"> » Specific provision was existed for specific enterprises. » No provision for domestic workers and informal sector workers.

Labour Act 2017

- » The employer is required to have medical insurance for each worker covering 1 lakh annually and accidental insurance covering 7 lakhs.
 - » Employer should pay full premium of accident insurance. In case of medical insurance premium, worker and employer shall pay half and half amount.
 - » In case of demise attributable to an accident, or total mental or physical disablement while performing actions under employment, if worker has not been insured, then, employer shall have to bear the cost.
 - » However, insurance is not required if contribution has been made in the social security fund.
-
- » Hiring workers from Labour Suppliers is permitted in job, which is notified in official Gazette by MOLE on the recommendation of CLAC. However, it is not permitted to hire the workers in core business of the establishment. The Act prohibited collecting any fees or commission from the worker.
 - » Labour Suppliers should have license from labour office or department. If a worker is hired from a labour supplier without having license, then the worker shall be considered to be the worker of the principal employer.
 - » To create a specialization of labour supplier, they cannot supply the workers in more than two categories of job.
 - » The Labour Supplier shall be liable to provide remuneration, facilities or amount or obligations under the Labour Act to the workers. The Labour Suppliers shall not submit bids or sign agreements contrary to the law and shall be void if it is contrary to the law.
 - » The principal employer shall be liable for occupational safety and health and shall also be liable for monitoring compliance with labour laws
-
- » The employer is required to formulate and implement Policy regarding Occupational Health and Safety for workers and other personnel at the workplace as per the provisions of the Labour Act and Rule.
 - » Establish Occupational Safety and Health Committee in an enterprise engaging more than 20 workers.
-
- » In addition to the provisions of the previous Act, it provides specific rules for tea estates, construction business, transportation, tourism industry, domestic workers, and seasonal enterprises. The Act also states that specific rules may be made for specific industries and informal sector.
 - » Except the different provision regarding minimum wages and leave for domestic workers all other provisions of this Act are equally applied to all categories or nature of workers.

Factory and Factory Workers Act 1959	Labour Act 1992
Unfair labour practice	
» The act is silent on it	» The act is silent on it
Provision related to labour inspection	
<ul style="list-style-type: none"> » Prior to entering at any place of the enterprise, assistance was to be taken from the side of the Government Employees or the Local Panchayat » To take a control of the production of the factory, documents or to take testimony of the related managerial employee. » Power to issue order if necessary. 	<ul style="list-style-type: none"> » Provision was made only on factory inspector and had right to issue direction relating to take control over produced goods or take control over all the documents related to workers and others. » Labour Office, labour inspector has right to conciliate and decide the case filed before the office.
Labour audit	
» The act is silent on it	» The act is silent on it
Provision related to bylaw	
» The act is silent on it	» Enterprises could draft bylaws and required to register at the labour office.

Labour Act 2017

- » Unfair labour practice has been defined as omission of legal duties by the employer or cause non- implementation of legal provisions or restriction on exercise of rights to the workers provided by the law.
 - » Acts done by the employer which is defined as unfair labour practices are, creation of fake evidence to take disciplinary action against the worker, transfer with the intention to cause difficulty or harass or demotivate in any manner, differentiating between member or non-member or official of a union, shutting down the enterprise or retrenching simply because of formation of a union or submission of a claim, interfering with internal matters of the union, negotiation with malafide intentions.
 - » Acts such as pressurizing a worker to be or refrain from being a member of a union, forced collection of funds or other donations, picketing at residence of the employer except the workplace and residence is same or damaging of property have been considered unfair labour practice on behalf of the union.
 - » Any such performance at a personal level by a worker has been recognized as misconduct.
 - » Petition may be made at the Court in case of unfair labour practice or an attempt to it.
-
- » For the first time, a provision for Labour Inspection system has been included in Labour Act.
 - » the act has included mechanism regarding monitoring whether or not the Act is being implemented, issuing direction for implementation to the concerned party, implementing the decision of arbitration and collective agreement.
 - » inspect whether the employer has implemented provisions of occupational safety and health, and if deemed necessary, inspect books and register of the employer.
-
- » The employers shall conduct labour audit by themselves in relation to verity implementation of provision of Labour Act and Rules.
 - » Employer should submit the labour audit report before labour office or regulating authority.
-
- » The enterprise is required to consult with the Union when drafting bylaws related to service, terms and facilities for the workers.
 - » It must be considered that the bylaws do not contradict with the minimum standards set by the law and the collective agreement when making the bylaws or when approving the bylaws by a regulatory authority.
 - » The Act has further added that the workers shall be entitled to receive the bylaws and the court may declare the bylaw void if found contradictory or against law.
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Factory and Factory Workers Act 1959	Labour Act 1992
performance appraisal	
» The act is silent on it	» The act is silent on it
Provision related to transfer	
» The act is silent on it	» Prohibition on transfer, which adversely affected terms of service, facilities, nature or level of work. » Transfer permitted only within the enterprises.
Settlement of individual dispute	
» Complaints were to be filed before the labour officer and if he/she is not available the complaints were to be filed before the factory inspector regarding unlawful deduction or delay on payment of remuneration. » The complaints were to be filed within 6 months. » If not satisfied with the decision made in this matter, appeal was to be filed before zonal court within 30 days	» Provision relating submission of any issues as an individual claim to the malmanagement. » Provision on filing direct complaint before the labour office within 6 months in subject matter of remuneration. » Provision regarding filing appeal in the labour court against the decision of labour office if not satisfied.

Labour Act 2017

- » The employer may conduct performance appraisal generally once a year. Standards and procedures of evaluation have to be set before-hand. Worker must be consulted after their appraisal and opportunity must be given to them to improve and justify oneself. This has made the evaluation process transparent.

- » Transfer which does not affect the terms of service, facilities, nature and level of work is permitted.
- » Nature and level of work may be subjected to change if transfer has the consent of the worker or posting results in promotion or pursuant to collective bargaining or work related with training or capability or qualifications of the worker.
- » A worker may be deputed as a representative in another enterprise, with his/her consent while retaining his/her position at the current enterprise.
- » Additional facilities have to be provided by the employer when transferring a worker to a posting away from his/her permanent residence or current workplace.

- » Matters pertaining to non-compliance of Labour Act, rule, other laws and collective agreement may be submitted as Individual claims.
- » Claim must be made within 6 months regarding individual dispute.
- » Provision regarding filing appeal in the labour court against the decision of labour office if not satisfied.

Factory and Factory Workers Act 1959	Labour Act 1992
Subject matter of Collective Bargaining	
<p>» The workers working in service or industry related factory could claim for their valid demands.</p>	<p>» Collective claim may be presented in subject matter of collective rights, interest and benefits of the workers.</p> <p>» The signature of majority workers is required for presenting collective claims.</p> <p>» Detailed procedure regarding collective bargaining was mentioned.</p>
Submission of collective demand through collective bargaining committee	
<p>» The act is silent on it</p>	<p>» In enterprise level collective demand can be submitted through Authorized trade union or by collecting the signature of 51 percent or more workers.</p>

Labour Act 2017

- » The subject matter of collective demand should be relating to 'interest of workers (higher than the right and benefits mentioned already in existing Act, rule, bylaws or agreement)
- » It is clear that matters regarding termination of employment, payment of remuneration and implementation of the Act shall be settled through the Labour Office and Court and not a matter of collective dispute. The following matters may be included in the collective bargaining including interest issue:
 - » Reduction of current remuneration and benefit of workers if it higher than minimum remuneration and standard.
 - » Agreement with employer and new employer during the period of transfer of ownership for interim management
 - » Agreement regarding specific facilities instead of extra half payment for overtime work.
 - » Determination of deduction of salary for benefits, if necessary.
 - » Determination of service charge in hotel, motel, restaurant, jungle safari.
 - » Determine criteria for transfer of workers.
 - » Determine remuneration rates for strike or lockout carried out pursuant to the law.
 - » Add criteria in the bylaws for termination as a result of misconduct.
 - » With regards to retrenchment of workers, find alternatives of retrenchment and determine its' criteria and terms.

To submit the collective demands in an enterprise having 10 or more workers the following collective bargaining committee is formed:

- » Reduction of current remuneration and benefit of workers if it higher than minimum remuneration and standard.
- » Agreement with employer and new employer during the period of transfer of ownership for interim management
- » Agreement regarding specific facilities instead of extra half payment for overtime work.
- » Determination of deduction of salary for benefits, if necessary.
- » Determination of service charge in hotel, motel, restaurant, jungle safari.
- » Determine criteria for transfer of workers.
- » Determine remuneration rates for strike or lockout carried out pursuant to the law.
- » Add criteria in the bylaws for termination as a result of misconduct.
- » With regards to retrenchment of workers, find alternatives of retrenchment and determine its' criteria and terms.

Factory and Factory Workers Act 1959	Labour Act 1992
Arrangements for discussions on collective demand	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » An agreement with the employer is made within 21 days of filing the claim » In case no agreement is made the labour office can conciliate the matter within 15 days. » If there is no agreement take place in labour office, workers may opt either arbitration or strike.
Condition of compulsory arbitration	
<ul style="list-style-type: none"> » Formation of tribunal for resolving each dispute between worker and owner of the factory. » The tribunal consisting of three members from, one representative member among the workers, one representative member among factory owner and one representative from the government. » During settlement of labour dispute through arbitration, the tribunal shall have equal power as court regarding examination of evidence, issuing direction to present witness and presenting documents. » The decision of tribunal was final and binding to both parties. 	<p>settlement through arbitration in following issues:</p> <ul style="list-style-type: none"> » Collective dispute relating to security guard and in the enterprises were essential service act applicable » Collective dispute relating essential service » dispute to be resolved by tripartite committee or tribunal (but no provision has been set regarding formation of tribunal or procedures regarding it) » all of the decisions of tribunal of that time were challenged before the court and never executed.
Legal strike	
<ul style="list-style-type: none"> » If all the existing legal remedies for resolving the dispute is exhausted, the workers willing a strike shall notify the labour department and management along with the reason and demand, 30 days prior going on a strike. 	<ul style="list-style-type: none"> » If 60 percent of the workers vote for strike through secret ballot, then course of strike may be sought by issuing a 30-day notice after failing conciliation in presence of labour office. » The strike shall be stopped in case the government issues the order to stop.

Labour Act 2017

- » The employer shall call for a meeting within 7 days of receiving the claim.
 - » If the meeting for negotiation is not called within 7 days or if no agreement is reached within 21 days, the committee may then apply for conciliation at the Labour Office.
 - » The Labour office shall conciliate and resolve the dispute within 30 days. The agreement within this period shall be binding for both the parties. If agreement is not reached within the timeframe, then either arbitration or strike shall be sought.
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Government should constitute Arbitration Tribunal to settle the collective dispute in following condition:

- » In case union and employer has prior agreement to submit dispute before the arbitration or If the enterprise operates essential services.
 - » In case of enterprise located in special economic zone or State of emergency has been declared and strike has been prohibited.
 - » If the Labour Ministry issues an order to resolve dispute through arbitration process, regardless the stage of collective dispute (however, if either party rejects this decision within 5 days, then course of strike may be pursued).
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Legal strike staged out under the following circumstances by giving a 30-day notice to the employer, labour office and local administration shall be considered as:

- a) If agreement does not take place at the labour office (except for disputes subject to compulsory arbitration),
 - b) If the Arbitrator does not conduct arbitration procedure,
 - c) If Arbitration is not formed within 21 days of filing of application at the Ministry or if decision is not rendered requiring arbitration,
 - d) If the arbitrator is unable to give the decision within the specified time frame,
 - e) If the employer rejects decision of the Arbitrator or legally challenges it,
 - f) Except for matters subjected to compulsory arbitration, if any party disagrees on decision of the Arbitrator referred to by the Ministry within five working days.
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Factory and Factory Workers Act 1959	Labour Act 1992
Legal lockout	
<ul style="list-style-type: none"> » In situation of going on a strike without prior notice or the strike is declared illegal, Lockout may be imposed. » Workers are entitled to remuneration in case of lockout without implementation of legal process and if lockout is considered valid the remuneration is not provided. 	<ul style="list-style-type: none"> » Issuing 7-day notice after getting approval from labour office » Issue a notice within 3 days of lockout in case of violence, destruction.
Provision related to picketing and mass assembly.	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » The act is silent on it
Decision of the arbitrator shall be binding	
<ul style="list-style-type: none"> » Decision of tribunal consisting of a representative of workers, management and government is final. 	<ul style="list-style-type: none"> » The act is silent on it
Validity period of agreement	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » Valid for 2 years.
Industrial level collective bargaining	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » The Act is silent on it, However, the decision of Supreme Court confirmed that collective agreement shall be valid even if is made at an industrial level.
Remuneration during strike or lockout period	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » the law was silent with regards to remuneration during lawful Strick

Labour Act 2017

- » The management may pursue legal lockout in case of illegal strike. The management has to give the evidence of valid justifications and receive approval from Department of Labour prior to such a lockout.
 - » A 7-day notice has to be issued for lockout stating that, if the strike is not ended before such 7 days.
 - » In case of threat of violence, destructive activities and picketing during the strike period, the management may cause a lockout and give its notice to the labour office or department or local administration within 3 days.
 - » Lockout is prohibited in enterprises operating essential services.
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- » To pressurize the employer to fulfil the demands, the workers may stage peaceful picketing or mass meeting in the workplace or at the main entrance of the enterprise, during the strike or lockout period. However, in any other circumstance, such picketing or mass meeting shall be carried out before or after or during rest period without affecting work of enterprise or its activities.
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- » The decision from a compulsory arbitration or decision of non-binding arbitration referred by the Ministry shall be binding after 5 working days from the date of decision of arbitration in case both the parties do not make any objection. Strike shall be legal if the decision of the Arbitrator challenged before the court of law by an employer.
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- » Shall be valid for 2 years, however, shall be in force until replaced by another agreement.
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- » With regards to tea estates, carpet industry, construction business, Labour Supplier, transportation business or manufacturers or service providers of similar kind as prescribed, collective bargaining shall be conducted at an industrial level.
 - » Collective demand at an enterprise shall not be permitted at once where industrial level collective agreement is implemented.
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- » The workers would not entitle any remuneration during illegal strike, and full remuneration during illegal lockout and half remuneration for legal strike or legal lockout period.
 - » The Act has retained provision for full remuneration if an agreement is made between employer and the union.

Factory and Factory Workers Act 1959	Labour Act 1992
provision related to misconduct, punishment and right to be heard	
<ul style="list-style-type: none"> » In relation punishment on misconduct for the first-time reprimand is given, for second time layoff for 7 days or termination without notice or without giving compensation in lieu of the notice period. » Within 35 days from the date of knowledge Complaint can be taken before labour officer or factory inspector » If not satisfied by the decision, appeal can be filed upon such aforementioned decision before zonal court. » labour department can terminate the labourers for riots or violating the work discipline or unnecessary delay in work or picketing (gherao) or encouraging others to do such act » appeal can be filed within 35 days form the date of notice of termination. Before the government. 	<ul style="list-style-type: none"> » Four categories of disciplinary actions, which include reprimand, withhold annual grade increments, suspension and dismissal from service. » misconduct and punishment for those respective misconduct has been listed in the Act. » 7 days shall be given for right to be heard » Action must be taken within 2 months of the misconduct and decision must be taken within 2 months of such action. » Appeal can be filed in the labour court against the decision
Restrain from filing a case or Immunity in case of financial damage.	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » Despite of the fact that Act remained silent on its protection to the officials of trade union is provided
Provision related to suspension	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » Suspension may be imposed for a period not exceeding 90 days as a punishment.

Labour Act 2017

- » Punishment such as reprimand or withheld of grade, deduction of remuneration equal to 1 day or termination is given.
- » The list of misconduct is provided by Act itself and it can be added by stipulating in the bylaws of the enterprises
- » Worker may be terminated; in case a worker has been punished for misconduct more than two times in a period of 3 years or in case of misconduct which may result in dismissal under the prevailing laws.
- » files a complaint, if a worker is detained in custody for a period exceeding 90 days for investigation or detention, employment relation may be terminated without giving a chance for clarification.
- » Clarification period of 7 days must be given before imposing a punishment.
- » Action must be taken within 2 months of the misconduct and decision must be given within 3 months of such action. The decision maker has the authority to reduce the punishment.
- » Act has also provided the provision regarding reducing the prescribed punishment of decision maker.

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- » no claims can be made in relation to economic damage.
 - » vandalism and physical damage is to be recoverable.
 - » officials of trade union are protected under Trade Union Act.
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- » suspension not considered as punishment.
 - » A worker may be suspended by employer if, punishment of dismissal has been proposed during the period of investigation for a period not exceeding four months. The worker shall be entitled to half remuneration when under investigation and shall receive full remuneration if found innocent.
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Factory and Factory Workers Act 1959	Labour Act 1992
Job security and termination	
<ul style="list-style-type: none"> » The act is silent on it 	<ul style="list-style-type: none"> » job security for permanent employees and workers. » Prohibition on dismissal except as per the Act, Rule or Bylaws. » No dismissal for a period of 1 year if medical treatment is required because of an accident arising out of and in the course of employment. » No further provision.
Compulsory retirement	
<ul style="list-style-type: none"> » After attainment of 50 years of age. » the age of compulsory retirement can be extended up to 10 years in relation to workers that are essential for factory operation. 	<ul style="list-style-type: none"> » After attainment of 55 years of age. » if deemed essential to the enterprises 5 years of employment period can be extended in addition to the age of compulsory retirement.
Retrenchment of workers	
<ul style="list-style-type: none"> » Approval of the labour department is required prior to retrenchment. 	<ul style="list-style-type: none"> » approval of the Government of Nepal is required prior to retrenchment.
Notice period	
<ul style="list-style-type: none"> » One-month prior notice or remuneration in lieu of notice period is to be given during retrenchment process. 	<ul style="list-style-type: none"> » In case of retrenchment, 30 days' notice or equivalent remuneration in lieu of notice period

Labour Act 2017

- » Except as provided under this Act, Rules or the bylaws, no worker in any form of employment can be terminated.
- » Valid and reasonable grounds must be presented before termination.
- » Except for dismissal on grounds of misconduct, termination of contract for time-bound and task-bound employment shall be terminated if such task or time is completed. Other provisions related with termination of employment are as follows:
 - a) In case extended time or task also ends for a time-bound and work-bound employment or it is end of work based on the nature of the work.
 - b) For casual worker at any time by an employer or a worker.
 - c) If the work of a worker, is deemed unsatisfactory within 6 months of probation period.
 - d) By resignation (however, this Act has removed the provision of rejection of resignation and added mutual suspension of resignation under special circumstances).
 - e) When conducting performance appraisal pursuant to the Act in a transparent manner, if the performance is unsatisfactory or substandard for 3 consecutive times or more, then by giving a 7-day period for clarification.
 - f) A worker shall not be dismissed from the employment if any worker becomes physically or mentally disabled or becomes unable to work because of an injury or if treatment for injury suffered during performance of duty requires a long time for recovery or requires treatment at the hospital for occupational disease. However, after one year period of bed rest treatment at home if he/she falls ill or suffers injury because of an accident elsewhere, the employment may be terminated after 6 months.
- » After attainment of 58 years of age (this provision is only applicable to the labourers under regular employment relation) .
- » Removal of provision requiring prior approval of government of Nepal regarding retrenchment. However, provision relating to consultation with labour relation committee and trade union is mandatory.
- » When terminating employment, the employer or the worker shall give notice as mentioned hereunder or remuneration in lieu of notice period:
 - a) 1-day prior notice for an employment period not exceeding 4 weeks.
 - b) 7 days' notice in case of employment between 4 weeks to 1 year.
 - c) 30 days prior notice for employment exceeding 1 year.

Factory and Factory Workers Act 1959	Labour Act 1992
Retrenchment and compensation	
» workers were entitled to get compensation equivalent to number of years multiplied by 15 days salary.	» workers were entitled to get compensation equivalent to number of years multiplied by one month's salary. » In addition to that 30 days' notice or equivalent remuneration in lieu of notice period should be paid.
Limitation on payment of facilities	
» the act is silent on it	» the act is silent on it
Formation of labour court	
» The act is silent on it	» Formation of labour court under the chairmanship of 1 adjudicating authority.
Enforcement of judgement, decision and agreement	
» The act is silent on it	» The government published a notice that labour office authorised to execute the judgments of the Labour courts.

Labour Act 2017

- » Except for workers receiving unemployment benefits, the retrenched workers are entitled to one-month basic salary for each year of service. However, a worker with less than 10 workers shall not be required to compensate and not even be required to fulfil the procedures.
-
- » Regardless of the manner of termination of Contract, the employer is required to make the payment within 15 days and must also provide necessary assistance for payment from Social Security or other institutions. If the payment is not made or assistance is not provided, the employer is required to provide remuneration as though the worker were under employment.
 - » If the payment is not made or assistance is not provided, the employer is required to provide remuneration as though the worker were under employment.
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- » establishment of Labour Court comprising of 3 members to hear cases.
 - » The High Court shall have the jurisdiction where there is no Labour Court is established in case of government published official notification on Nepal gazette in this regard.
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- » if decision from the Court, Arbitrator's decision, decision of the department or office or agreements and understandings are not implemented by the concerned party, then these institutions have been given the authority to freeze, auction and sell immovable property, issue notices to freeze bank accounts, issue letters to suspend or freeze concessions, benefits available under the law, suspend license of any or labour supplier and issue necessary orders.
 - » If the decision is not implemented despite these actions, the Labour Court may issue a fine not exceeding 1 lakh rupees or punishment not exceeding 1 year imprisonment.
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DECADE LONG EXERCISE FOR LABOUR REFORM: A TIMELINE

Dec 2001	The then Prime Minister Mr. Sher Bahadur Deuba declared the government policy for second amendments of existing labour act 1991's with the provision of hire and fire. GEFONT/NTUC and DECONT opposed it.
4 Dec 2001	FNCCI declares an 8-member taskforce on labour act revision
7 Aug 2002 and 14 Aug 2002	Labour Ministry called a tripartite meeting to revise essential part of existing Labour Law, the meeting concluded without any decision.
5 Dec 2002	A bipartite agreement made between Trade Unions namely GEFONT/NTUC and DECONT and Employers' Organization - FNCCI and agreed to continue the dialogue in following 7 points to improve the world of work including social security and labour law revision. 1. Social Security, 2. Labour Flexibility 3. Gender Issues in Workplace, 4. Informal Sector, 5. Labour Administration, 6. Trade Union & Collective Bargaining, 7. Settlement Policy.
13 Jan 2003	The first labour law revision high level tripartite social dialogue organised by the initiation of ILO.
27-28 Nov 2003	Trade Union and Employer presented their position paper in second High level Tripartite dialogue on labour act reform
7 Aug 2004	Third High-level Tripartite meeting agreed to form 6-member task force (3 from Trade union and 3 from Employer) to prepare guideline to reform labour legislation
9 Aug 2004 11 Aug 2004 17 Aug 2004 24 Aug 2004 27 Aug 2004	Task force meeting to prepare the guidelines to reform labour legislation
11 Oct 2004	Briefing to high level leadership of Trade unions and Employers about the guideline developed by Task force. The meeting directed again to the taskforce to come on conclusion on the unsettled 2 points.
9 Jan 2005	FNCCI, GEFONT, NTUC & DECONT signed the 19 points guidelines to draft labour law.
12-14 Jan 2005	Second National Labour Conference organized by the government has endorsed a 19 points guideline on revision and drafting of new labour law.
1 Feb 2005	King Gynendra suspended the people's rights; Emergency declared, Political parties and union activities were on control. Tripartite Dialogue stopped.

10-12 Sep 2005	Tenths of thousands of unionists organized in mass demonstration rally and organized a wider trade union conference in Kathmandu; conference denied the labour act 1991 revision by ordinance.
16 Sep 2005	Government sent a letter to provide feedback/comments within seven days on draft ordinance to amend the labour act.
21 Sep 2005	GEFONT/NTUC/DECONT organised a Press conference against Draft Ordinance and set first phase protest programme from 22-30 Sept 2005.
23 Sep 2005	GEFONT/NTUC/DECONT jointly opposes the ordinance. Jointly demanded to call the labour advisory committee meeting with the attention and warn on not to move forward to the labour act revision through the ordinance. Unions set strategy to delay the ordinance discussion on Labour Act revision.
2 Oct 2005	Technical committee meeting held on the ordinance at Labour Ministry
5 Oct 2005	Meetings held between FNCCI & Trade Unions technical committee
7 Oct 2005	
23 Oct 2005	
24 Oct 2005	
25 Oct 2005	
26 Oct 2005	Central Labour Advisory Committee (CLAC) meeting held at the Ministry of Labour
27 Oct 2005	
31 Oct 2005	Meeting held of FNCCI & Trade Unions technical committee
6 Nov 2005	
7 Nov 2005	Trade Unions registered its 13-point note of decent against the ordinance; a massive discussion is demanded before the implementation of the ordinance
9 Nov 2005	Trade Union Leaders and World Bank Resident Representative meeting held on the ordinance to revise Labour Act.
10 Nov 2005	Trade Union Leaders and ILO Representative meeting held on the ordinance to revise Labour Act.
13 Nov 2005	CLAC meeting held, Government didn't accept the union's 13-point note of decent against the ordinance, meeting broke
4 Dec 2005	All 3 trade unions demanded government to hold CLAC meeting. Unions informally suggested to the newly appointed labour minister not to replace Labour Act by the ordinance
22 Dec 2005	CLAC meeting held; the minister expressed commitment to retching on Ordinance
9 Jan 2006	ILO suggested Government of Nepal to have tripartite dialogue on Labour Act revision process.

12 Jan 2006	World Bank issued a letter stating its acceptance to provide its consultation with the facilitation of ILO on Nepal's Labour Law revision.
5 Feb 2006	Royal Government agreed the facilitation of ILO, Technical committee set up with the expert of ILO to include the trade union's issues into the Labour Regulations.
6 Feb 2006	Labour Regulation's drafting technical committee meetings held with the facilitation of ILO
28 Feb 2006	
7 Mar 2006	
9 Mar 2006	Government issued the ordinance to revised Labour Act 1991, prior to conclude drafting of the Labour Regulation by the technical committee. Trade union representatives denied continuing further discussion.
13 Mar 2006	All 3 trade unions warn government to withdraw the labour ordinance. Because of the union pressure the government didn't issue the ordinance in the Nepal Gazette.
18 Mar to 3 Apr 2006	Unions organised rally, agitation and picketing in the labour office against the Ordinance.
9 May 2006	The newly formed Government after the people movement also tried to enforce the ordinance with some revision
10 May 2006	Trade Unions given 72-hours ultimatum to the Government to withdraw the Labour Ordinance.
15 May 2006	The reinstated legislative parliament dismissed the Labour Ordinance (second revision), before it comes into the force.
3 Dec 2006	GEFONT, NTUC, DECEONT & ANTUF agreed to work jointly on Industrial Peace for the employment creation, Labour act revision etc. through the LAHAN Declaration. ANTUF also entered into the joint work with other unions on labour law revision process.
15 Jan 2007	Nepal issued its interim constitution, The new constitution secured rights to fair labour practice, Collective Bargaining & Establishment of Trade Unions, and Social Security are the fundamental rights of workers.
6 Nov 2007	ILO Geneva assigned Mr. Robert Kyloh to facilitate Labour Law revision process. Kyloh submitted the report after having consultation with trade unions, employers' organization and the government. Based on the report, Mr. Mordi Broomburg-the consultant appointed by ILO Geneva a submitted his recommendation on labour law revision.
29 Nov 2007	Tripartite meeting held on how to move forward the Labour Law improvisation process between trade unions, employers' organization and government.
17-19 Dec 2007	Workshop organized to discuss on the ILO's draft report on labour law revision. Labour commission can be formed to deal the labour disputes based on the interim constitution.

25 Dec 2007	Bipartite meeting between Employers' Organizations and Trade Unions (GEFONT/NTUC/DECONT/ANTUF) agreed to the concept on preparation of necessary laws to form the Labour commission.
28-29 July 2008	Tripartite dialogue begins on labour law reform including social security based on to 19-point agreement, Labour Policy 2006, Interim Constitution 2007. Workshop discussed on the contents of the labour law.
26-28 Aug 2008	Workshop organised on misconduct and its punishment provision purposed in new labour law.
24-26 Sep 2008	Workshop organized to discuss on the provision on collective bargaining, essential services, strike, and lockouts management related matters in the purposed labour law.
6 Oct 2008	Workshop organized on Labour Inspection System
24-26 Nov 2008	Workshop organized on equality, ending discrimination, gender related matters in the purposed labour law.
27 Nov 2008	Tripartite meeting with the ILO Geneva's Consultant
9 June 2009	ILO's consultant Mr. Mordi Broomburg submitted his draft to the Nepal Government, Employers' Organization and Trade Unions.
11 June 2009	Discussion held in a workshop on ILO's consultant Mr. Mordi Broomburg's draft labour law from 28 July to November 2008. One of the unions didn't accept the foreigner's draft in Nepal's labour law and took stand, ILO appointed Mr. Binay Regmi as Nepali Consultant.
26-28 Aug 2009	Workshop on Protection of Migrant Workers. Provision of Work permit in Nepal's Labour Law was discussed.
7 Dec 2009	Labour law draft progress was discussed.
17 Sep 2009	Meeting held with ILO expert on Occupational Safety and Health.
6 Apr 2010	Discussion held on protection against unemployment through unemployment insurance, Unemployment assistance, and compensation against retrenchment.
June 2010	Draft was submitted by the consultant on Labour Act 2010, Social Security Act 2010, Unemployment Insurance Act 2010, Bonus Act 2010, Freedom of Association Act 2010 and National Labour Commission Act 2010. ILO submitted all the drafts to the Nepal Government and requested to continue the dialogue.
24 Mar 2011	Minimum wage revision meeting held between employers' organization and trade unions, the meeting also signed an agreement on the rate of contribution on the Contributory Social Security 20 percent by employers and 11 percent by workers with an agreement to continue the adjourn meeting.
30 Sep 2011	24 March Bipartite Agreement was adopted by the CLAC

Oct 2011	Received ILO's comments and recommendations on draft of Nepali Team on Labour Law. Labour ministry initiated a dialogue with employers' organization and trade unions after including those comments and recommendations on Labour Act and Social Security Act
Dec 2011 to Apr 2012	Unions to Union and Employers to employers meeting held on the draft labour law to have their common consensus. JTUCC coordinated the unions' dialogue
24 Apr 2012	JTUCC and employers' organization (FNCCI, CNI, NCC and FNCSI) submitted their suggestion on New Labour Law draft to the Labour ministry.
19-21 July 2012	Third National Labour Conference concluded by presenting draft of the social security and labour act. The concept was principally agreed and discussion on the draft was kept continued.
Aug 2012 to Jan 2013	Labour Ministry studied and prepared the integrated draft after collecting the suggestions from the Trade Unions and Employers' Organizations.
Jan 2013 to Sep 2014	The Labour Ministry set up a taskforce comprising with 7-member each from trade unions and employer's organisation. Clause wise details discussion held
5 Aug 2014	The parliament adopted a resolution of commitment to submit Social Security Bill with in on-going parliamentary session
10 Oct 2014	After the clause wise details discussion Employers' Organization and Trade Unions jointly signed the draft and the integrated draft was submitted to the Labour Minister for State along with their note of decent on some points
23 Mar 2015	An interaction was organized among the Parliamentarians and High-Level Political Leaders to realise the urgent attention and relevancy of the Social Security Law and Labour Act.
21 July 2015	JTUCC handed over a memorandum to the then Chairman of the Constituent Assembly Rt. Hon'ble Mr Subas Chandra Nembang to include the provision of Labour representation, Labour Commission, Labour Rights and Social Security as fundamental rights of the people in the Constitution.
20 Sep 2015	Historical Constituent Assembly declared Constitution of Nepal with inclusion of the following labour related fundamental rights: <ul style="list-style-type: none"> » Every worker has the rights to be protected from the contributory social security, » Every worker has the rights to fair labour practice, » Rights to Collective Bargaining and freedom of Trade Unions, » Rights to fair wage, » Non- discrimination between men and women on social security and wage, » Rights against exploitation, prohibition of Child labour and bonded labour » Rights to get unemployment benefits,

11 Feb 2016	Labour Bill 2015 is registered in the parliament.
11 Sep 2016	Labour Bill 2015 is tabled to the full house of Parliament
12 Sep 2016	Resolution submitted to the parliament for consideration of the Labour bill. Same day, JTUCC organised an interaction with the parliamentarians. Trade Union handed over its amendment proposal to the Parliamentarians.
25 Sep 2016	Full house of the Parliament sent the Labour Bill for the clause wise discussion to the Parliamentary Committee.
26 Jan 2017	The Labour relation and International affairs Committee of Parliamentary setup 9-members sub-committee to get suggestions and detail report on Labour Bill and Social Security Bill.
2 Feb 2017	Stakeholders' Discussion held in the sub-committee setup by the Parliamentary committee
Feb- Mar 2017	Intensive discussion held between employers' representatives, unions and labour ministry on Labour Bill and Social Security Bill in the subcommittee
30 Mar 2017	Subcommittee submitted its report to the Labour relation and International affairs Committee
2 Apr 2017	Subcommittee report on Labour Bill is discussed in the committee
3 Apr 2017	The sub-Committee report is passed by the committee after discussion, the Committee forwarded the Bill for the full house of parliament for final approval
20, 24 and 28 July 2017	The Labour Bill was removed from the daily business of the full house due to the demand of civil servants to include them in the labour law
10 Aug 2017	Chairperson of Labour relation and International affairs Committee of the Parliament submitted the report to the full house of Parliament.
11 Aug 2017	Labour Bill adopted by the full house of Parliament
4 Sep 2017	The Bill got authentication by the President Rt. Hon'ble Bidhya Devi Bhandari

TIMELINE SOCIAL SECURITY: CONCEPTUAL DISCUSSION TO SEAL ON THE CONTRIBUTORY SOCIAL SECURITY BILL

Date	Events
26 Dec 1994	The then UML President and Prime Minister of Nepal Man Mohan Adhikari introduced monthly old-age allowance who were above age of 75 years; this was first ever initiative by the state providing benefits as the universal social security to the citizens of Nepal besides those in the government service.
July 1995	Single women above age of 65 begin receiving monthly allowance
30 Mar 1996	GEFONT passed a resolution from its Second National Congress on social security along with the national labour policy.
July 1997	In coordination and facilitation of NTUC, for the first time the MPs of Nepali Congress registered a Social Security Bill in Parliament as private bill. The House didn't accept it.
23-25 Nov 1997	First National Labour Conference organized by the then Government and first time the social security for workers' concept was passed.
Nov 1999	Government declared National Labour Policy 1999 with the concept of Social Security
5 Dec 2002	Trade Unions and Employers' Organization agreed to continue the dialogue to revise the Labour legislation with social security provision in order to reform World of Work. The dialogue started within one month in ILO facilitation.
9 Jan 2005	FNCCI, GEFONT, NTUC & DECONT signed the 19 points guidelines to draft labour law which includes Social Security Act
12-14 Jan 2005	Second National Labour Conference organized by the government has endorsed a 19-points guideline on revision and drafting of new labour law. GEFONT presented its concept of contribution ratios: 2.5:2.5 by the Workers: Employers: Government respectively. After NTUC and DECONT agreed on the proposal, it became joint proposal of the trade unions.
2006	National Labour Policy 2006 declared; it continued the emphasis on provision of establishing Social Security.
15 Jan 2007	Nepal's Interim Constitution Declared, Workers' social security was accepted as fundamental rights of workers.
24-27 Nov 2008	Tripartite dialogue begins on Social Security based on 19-Point agreement, in line with the New Labour Policy and Interim Constitution 2007. All recognized trade union centres participated in the dialogue.

Date	Events
12 July 2009	CPM (UML)'s Leader and the then Prime Minister MK Nepal led government levied 1 percent social security tax to be collected by the employees. It created the Social Security Fund. Discussion has been started to Institution for Contributory Social Security, necessary infrastructure, Social Insurance Schemes and Related laws.
2 Feb 2010	GEFONT mobilized workers with the demand of implementation of social security scheme. More than one million awareness materials have been distributed to general public to create mass awareness on social security.
21 Mar 2011	Social Security Fund (Management and Operation) by laws -2011 adopted
24 Mar 2011	Trade Unions and Employers' Organization signed agreement on Centrally organised Collective Bargaining. Both sides agreed on contribution-ratio 20 percent (of employers) and 11 percent (of employees) to the social security fund.
1 May 2011	The May Day was celebrated the theme- "Social Security for All workers!"
30 Sep 2011	March 24 Bipartite Agreement was adopted by the Central Labour Advisory Committee (CLAC)
19-21 July 2012	Third National Labour Conference concluded by presenting draft of the social security and labour act. The concept was principally agreed and discussion on the draft was kept continued.
5 Aug 2014	The parliament adopted a resolution of commitment to submit Social Security Bill with in on-going parliamentary session
10 Oct 2014	After the clause wise details discussion Employers' Organization and Trade Unions jointly signed the draft and the integrated draft was submitted to the Labour Minister for State along with their note of decent on some points.
23 Mar 2015	An interaction was organized among the Parliamentarians and High-Level Political Leaders to realise the urgent attention and relevancy of the Social Security Law and Labour Act.
21 July 2015	JTUCC handed over a memorandum to the then Chairman of the Constituent Assembly Rt. Hon'ble Mr Subas Chandra Nembang to include the provision of Labour representation, Labour Commission, Labour Rights and Social Security as fundamental rights of the people in the Constitution.
25 Sep 2015	New Constitution promulgated by the Constituent Assembly; provision of contributory social security schemes and workers' rights to participate on it has enshrined as the fundamental rights.
Sep 2015	Social Security Bill registered at the Parliament.

Date	Events
2 June 2016	Parliamentary committee organised an Interaction programme on social security Bill between trade unions, employer's organisations and the government's representatives.
11 Sep 2016	Social Security Bill has tabled to the full house of Parliament
12 Sep 2016	JTUCC organised an interaction with the parliamentarians. Trade Unions handed over their amendment proposal to the Parliamentarians.
22 Nov 2016	Parliamentary committee discussed general discussion on Social Security System.
26 Oct 2016	Full House of the Parliament sent the Bill for detail discussion to the parliamentary committee.
26 Jan 2017	The Labour relation and International affairs Committee of Parliamentary setup 9-members sub-committee to get suggestions and detail report on Labour Bill and Social Security Bill.
Feb-Mar 2017	Intensive discussion held between employers' representatives, unions and labour ministry on Labour Bill and Social Security Bill in the subcommittee
13 June 2017	The Parliamentary Committee concluded the discussion on the Social Security Bill and send report to the Full House of parliament for final approval.
20 July 2017	The Chairman of Parliamentary Committee submitted the final report on Social Security Bill to the Full House of Parliament
24 July 2017	Social Security Bill is adopted unanimously by the Full House of Parliament
13 Aug 2017	Social Security Bill got authentication by the President Rt. Hon'ble Bidhya Devi Bhandari

Annex: 6

**OPERATIONAL PROCEDURE OF THE
CONTRIBUTION-BASED SOCIAL SECURITY PROGRAMME
FOR WORKERS ENGAGED IN EMPLOYMENT AND
SELF-EMPLOYMENT ABROAD 2022**

1. Any Nepali citizen engaged in foreign employment or self-employment abroad shall be deemed eligible to participate in this scheme.
2. For inclusion in this scheme, a worker engaged in foreign employment shall furnish details of the employer company, including its address in the country of destination along with the evidence of Nepali citizenship and approval of work permit. In a country where work permit is not obligatory, person shall furnish comprehensive disclosure including name of country of destination, details of the employing company along with the company's appointment letter upon the implementation of the scheme. It should furnish details, including information pertaining to their relationships of individual's contact person with Nepal.
3. In the case of an individual engaged in self-employment abroad, the application shall include details such as proof of Nepali citizenship, work or business registration certificate, profession or business name, address, and contact number.
4. The registration may be executed online, supporting documents may be submitted through the same electronic platform and Identity-Card shall obtain.
5. The scheme encompasses Accident and Disability Security, Survival Security, and Old-age Security programmes.
6. An individual engaged in foreign employment or self-employment at abroad must contribute by 21.33 percent of the minimum basic wage fixed for industrial sector workers by the government. The contribution may extend up to three times the stipulated amount.
7. In the total amount collected, 7.48 percent is earmarked for accident and disability security as well as survival's security; and 13.85 percent for old-age security.
8. In case of an accident or disability under the accident and disability security programme, the contributor must deposit a monthly contribution equivalent to at least nine months within twelve months of the incident.

9. As per the scheme, an individual contributing through foreign employment or self-employment abroad and experience an accident or become disabled due to an accident, is eligible for benefits under this scheme. In case of partial or total disability resulting from an accident, the system ensures payment annually, up to a limit of one hundred thousand or eighty percent which shall be less determined by the Social Security Fund. If partial or total disability occurs, based on the percentage of disability, lifelong pension will be provided on a scale determined by the percentage of incapacity according to the rate established for the basic contribution.
10. In case of contributor's demise, the scheme covers funeral expenses up to twenty-five thousand rupees and provides a 40 percent lifetime pension based on the basic contribution rate to the surviving spouse or dependent parent. If the beneficiary is a child, the pension continues until the child reaches the age of twenty-one or completes continuous education up to twenty-one years.
11. In order to avail the benefits under the Old-age Security Scheme, contributors who have concluded their foreign employment or self-employment abroad and returned to Nepal shall receive a disbursement after reaching the age of 60. The disbursement amount can be claimed the entire accumulated sum under the scheme along with the interest accrued, or per month pension can be claimed at the rate of entire accumulated sum divided by 160.
12. In case of contributor's demise before reaching the retirement age, the total contribution amount, including returns from contributions and interest earned, will be provided to the rightful heir in a lump sum. Upon commencement of the retirement disbursement, in case of the contributor's death, the surviving spouse will receive fifty percent of the accumulated retirement benefits, provided as lifelong pension.
13. Upon depositing the mentioned amount, a ten percent discount will be granted when making monthly payments. In cases where the expenses for residing in the respective foreign country are proven, and at least 70 percent of the annual income is remitted to Nepal through banking channels, the Board shall decide to provide up to a 20 percent discount on the deposited amounts in plans other than Old-age security schemes.
14. Individuals participating in the scheme shall continue to the Social Security Programme for Formal Sector Workers, Informal Sector workers and Self-employed upon returning to Nepal.
15. As of the effective date of 11 December 2022, no claims or benefits have been asserted or received.

Annex: 7

SOCIAL SECURITY SCHEME OPERATION PROCEDURE FOR INFORMAL AND SELF-EMPLOYED WORKERS, 2023

1. Any individuals engaged in informal and self-employment sectors may enrol in this scheme.
2. Informal sector workers interested in enrolling this scheme must submit citizenship certificate, self-declared work sector (such as agriculture, construction, or domestic work), and a recommendation letter from the local ward office verifying their active engagement in the informal sector.
3. In the case of self-employed individuals engaged in entrepreneurship, submission of citizenship certificate, business or profession registration related to self-employment, or a recommendation letter from the local ward office specifying the individual's active engagement in the self-employment sector is required. If no registration is available, the ward office should provide a recommendation letter with details such as the type of business, name, address, contact number, and contributions made on a monthly basis.
4. The application process can be done online, and an identity card can be obtained through the same procedure.
5. The scheme includes provisions for medical treatment, health and maternity security, accident and disability security, dependent family security, and old-age security.
6. The scheme is funded by a minimum of 11 percent contribution from the individual's basic wage and an additional 9.37 percent contribution from the government, making a total of 20.37 percent. If the total contribution is not deposited by the Nepal Government, provincial government, and local authorities; the contributions shall continue individually.
7. Among the total contributions, 10.37 percent is allocated to medical treatment, health and maternity security scheme and 10 percent for Old-age security scheme.
8. Individuals engaged in self-employment shall contribute 31 percent of the minimum basic wage to maximum three times of that amount.
9. For individuals engaged in self-employment, the total amount contributed among the various schemes under this programme shall be distributed as Health and Maternity Security Plan 1 percent, 1.40

percent for the Accident and Disability Security Plan, 0.27 percent for the Survival's Security Plan and 28.33 percent for the Old-age Security Plan.

10. Individuals engaged in informal and self-employment shall avail themselves of the benefits under this scheme (Health and Maternity Security, Accident and Disability Security, Survival's Security Plan and Old-age Security Plan) if they have contributed for at least 9 out of the past 12 months before the event occurred.
11. For availing the Old-age security scheme, individuals engaged in informal and self-employment must be 60 years old and have contributed for a minimum of 180 months.
12. Under the provisions of medical treatment and health security plan, the expenses related to consultation services of a medical practitioner, hospital admissions, and surgical procedures, costs incurred for the examination and treatment of illnesses, expenses as per the medication bill, regular prenatal check-ups for female contributors or women contributors, costs associated with hospital admissions for childbirth-related surgeries or treatments, postnatal care expenses, expenses incurred during the postpartum period up to seven days, and costs related to the treatment of the new-born for up to three months will be covered under this plan. The payment for these services will be directly settled with the hospital. In addition to the hospital admission, medical services exceeding NRs 25,000 in the doctor's prescription will also be available. A basic monthly wage equivalent to one month will be provided to contributors for infant nutrition. This amount will be applicable even in the case of a miscarriage occurring after 24 weeks of pregnancy. Upon availing these services, contributors are obligated to contribute 20 percent of the total claim amount from their side. The total amount for this facility will not exceed NRs 100,000 in a fiscal year. The provision for maternity services ensures that 60 percent of the minimum monthly remuneration for 98 consecutive days is provided for maternity care.
13. Individuals engaged in informal sectors and self-employment will be eligible for benefits on an accident or the creation of disability due to an accident. When availing this facility, the maximum coverage for medical treatment in case of an accident, including hospitalization expenses, is set at NPR 700,000. In the case of temporary total disability arising from an accident, 60 percent of the basic wage is provided till to returning on job; up to a maximum of 100 percent of the basic remuneration in the case of permanent disability, a lifelong pension is provided based on the percentage of disability. In case of permanent total disability, 60

percent of the basic wage is provided throughout life, and the family members or organisations designated by the individual as beneficiaries are entitled to receive the pension in case of demise.

14. Under the dependant family security scheme, if a contributor dies, the scheme covers the funeral expenses up to NRs 25,000; and the surviving spouse or dependent is entitled to a minimum of 40 percent of the basic wage for informal sector workers and the average wage for self-employed workers for life. If the contributor's children are below 18 years or in continuous education until the age of 21, the scheme provides this benefit until then.
15. For contributors who reach the age of 60, the scheme allows a monthly payment for lifelong pension, which is calculated based on the accumulated amount and interest accrued. The per month pay shall be equivalent to sum of total accumulated amount divided by 160.
16. If the contributor passes away before starting the lifelong pension, the total sum of accumulated amount shall be transferred to the contributor's legal heir(s). This payment continues even after the contributor's death, and 50 percent of contributor's monthly pay shall be provided as lifelong pension to the surviving spouse.
17. If the contributors deposit the amount of six months in advance, shall be eligible for a 10 percent discount. The contributor who consistently refrains from claiming benefits under the Medication, Health and Maternity, Accident and Disability, and Dependent Security schemes for a period of up to three years, as stipulated by the Board, may, upon submission of a request, be eligible for inclusion in the Old-age Plan under the same scheme. In such cases, the accumulated amount in the plan will not increase by more than 20 percent, and the board will determine the transferable amount eligible for transfer to the Old-age security Plan.

**TRADE UNION COMMITTEE FOR
GENDER EQUALITY AND PROMOTION (TUC-GEP)
10 GENDER RELATED ISSUES AT WORKPLACE**

1. Maternity Protection
 - Maternity leave
 - Reproductive health
 - Easy and comfortable job
 - Childcare
 - Medicare
 - Breast feeding time
 - Current wage and benefits
2. Employment opportunity, security and training
3. Working conditions
 - Job classifications
 - Dignity at workplace
 - Job sharing
 - Night shift work
 - Working time
4. Equal wage and facilities
5. Leaves
 - 8 March
 - Compassionate leave
 - Miscarriage leave
 - Parental leave
6. Law against gender-based harassment and violence
7. Occupational safety and health
8. Information on HIV AIDS
9. Ratification of ILO Conventions (89, 183,155, 156)
10. Union at informal sector

THE STUDY TEAM

The Central Team

1. Aashis Regmi
2. Abdus Miyan
3. Bhaktiram Ghimire
4. Bidur Karki
5. Binod Shrestha
6. Bishnu Rimal
7. Gopal Bhandari
8. Janak Chaudhari
9. Kamal Tamang
10. Laxman Sharma
11. Lekhanath Paudel, PhD
12. Naranath Luitel
13. Ram Prasad Bhattarai
14. Ramesh Badal
15. Sanjay Baral
16. Taranidhi Panta
17. Umesh Upadhyaya

Planning Meeting (6 Sept 2023, GEFONT Hall)

The Discussion with GEFONT and its affiliates officials

- | | |
|---------------------|------------------------------|
| 1. Annada Thami | President, WHIN |
| 2. Arjun Chaulagain | Dy General Secretary, WHIN |
| 3. Bhim Rai | President, ITWAN |
| 4. Bidur Karki | Vice President, GEFONT |
| 5. Fulmaya Lama | President, JTGWUN |
| 6. Janak Chaudhary | Vice President, GEFONT |
| 7. Kamala Tamang | Dy General Secretary, GEFONT |
| 8. Krishna Rimal | Secretary, GEFONT-Bagmati |
| 9. Laxman Sharma | Secretary General, GEFONT |
| 10. Laxman Tiwari | President, NIHWU |
| 11. Madhav Paudel | President, PABSEU |
| 12. Naranath Luitel | Dy General Secretary, GEFONT |
| 13. Pradeep Ghimire | President, NATU |
| 14. Ramesh Badal | Vice President, GEFONT |
| 15. Santa Basnet | President, CUPPEC-Nepal |
| 16. Suman Parajuli | President, UNITRAV |
| 17. Umesh Giri | President, NHWEU |

FGD-1 (9 Sept 2023, GEFONT TUPI, Hall)

The Discussion with Health Sector's Employees

- | | |
|-------------------------------|--------------------------|
| 1. Ambika Adhikari | Nepal Eye Hospital |
| 2. Chabilal Biswokarma | Sahid Memorial Hospital |
| 3. Chandralal Tamang | Kirtipur Eye Hospital |
| 4. Jeevan BK Vinayak Hospital | |
| 5. Khagendraraj Joshi | Cristal Diagnostic |
| 6. Madan Shrestha | NMC Teaching Hospital |
| 7. Pabitra Thapa | Vinayak Hospital |
| 8. Prem Lama | NMC Teaching Hospital |
| 9. Premchandra Pradhan | Tilganga Eye Hospital |
| 10. Rajendra Aryal | Ugratara Polyclinic |
| 11. Rupak Sapkota | KIST Hospital |
| 12. Rupak Shrestha | Shir Memorial Hospital |
| 13. Sandesh Bhandari | Cristal Diagnostic |
| 14. Sangeeta Karki | Shir Memorial Hospital |
| 15. Sukumar Nagarkoti | People's Dental Hospital |
| 16. Sushila Basnet | Civil Hospital |
| 17. Umesh Bartaula | KIST Hospital |
| 18. Umesh Giri | Tilganga Eye Hospitalk |

FGD-3 (9 Sept 2023, GEFONT TUPI, Hall)

The Discussion with Industrial sectors union leaders

- | | |
|--------------------------|-------------------------------|
| 1. Basanta Regmi | Bottelers Nepal Pvt Ltd |
| 2. Buddha Ghale | Modern Packaging |
| 3. Fulmaya Lama | JTGWUN |
| 4. Harikrishna Rayamajhi | Lomus Pharmaceuticals |
| 5. Jayanti Shrestha | Royal Kavre Beverage |
| 6. Kanchan Raj Khatri | Bhaktapur Bricks Industry Ltd |
| 7. Krishn Bdr KC | GEFONT NEC |
| 8. Milan Waiba | SH Carpet |
| 9. Mitrabandhu Bhattarai | Butwal Power Co Ltd |
| 10. Pushkar Thapa | Shriram Gay Industry |
| 11. Rama Chaulagain | Kansai Nerolac Paints |
| 12. Salikram Maharjan | CG Foods Pvt Ltd |
| 13. Shyam Kumar Shrestha | Nepo Textile Industry |

FGD-4 (9 Sept 2023, GEFONT TUPI, Hall)

The Discussion with Hotel and Restaurant sectors union leaders of Kathmandu Valley

- | | | |
|----|------------------------|----------------------|
| 1. | Bhabiswar Pokharel | Hotel Mall |
| 2. | Dan Bdr Dhimal | The Bakery Café |
| 3. | Dilli Pd Bajgain | Hotel Hyatta Regency |
| 4. | Kamal Ghimire | Hotrel Raddison |
| 5. | Laxman Tiwari | NIHWU, CC |
| 6. | Rajendra Shankar Napit | Hotel Himalaya |
| 7. | Ramjee Shrestha | Gokarna Golf Resort |
| 8. | Ranju Thapa Magar | NIHWU, CC |
| 9. | Santosh Pandey | KFC |

FGD-5 (9 Sept 2023, GEFONT TUPI, Hall)

The Discussion with Transportion and Auto-mechincal sectors union leaders at Kathmandu Valley

- | | | |
|-----|----------------------|--------------------------|
| 1. | Bhim Rai | ITWAN CC |
| 2. | Deepak Chaulagain | Arniko Bus |
| 3. | Dil Bdr Khadka | Sajha Yatayat |
| 4. | Dil Bdr Shakya | Taxi Unit |
| 5. | Gyan Bdr Raut | Micro Bus |
| 6. | Ishwori Fuyal | Saajha Yatayat |
| 7. | Kamal Sapkota | Public Bus (ITWAN CC) |
| 8. | Kedar Fuyal | Booking Units |
| 9. | Nabraj Ghimire | ITWAN CC |
| 10. | Pradeep Gautam | NATU- Big vehcle |
| 11. | Purushottam Humagain | Arniko Truck |
| 12. | Roshani Shrestha | NATU Auto parts |
| 13. | Shankar Thapa | Airport Taxi |
| 14. | Shyam KC | NATU- Motorbile workshop |
| 15. | Thankur Shrestha | ITWAN CC |
| 16. | Tirthamaya Lama | ITWAN Bagmati |

FGD-6 (28 Sept 2023, GEFONT, Hall)**The Discussion with Tourism, Trekking and Mountaineering sectors union leaders at Kathmandu Valley**

1. Amarsingh Baniya	Trekking Guide
2. Ambar Tamang	UNITRAV Delegates councillor
3. Amrit Bdr Tamang	Trekking Guide
4. Bam Bdr Magar	Trekking Guide
5. Bishnu Gurung	Trekking Guide
6. Brikha Bdr Magar	Trekking Guide
7. Dawa Sherpa	Climber
8. Furpaki Negi	Trekking Porter
9. Ganga Bdr Tamang	Trekking Porter
10. Gom Bdr Rai	Trekking Guide
11. Hitman Bhujel	Trekking Guide
12. Induka Kaling Rai	Office Staff
13. Kaji Lama	Trekking Guide
14. Khilaraj Tamang	Trekking Porter
15. Krishna Bdr Darlami	Trekking Guide
16. Milan Kumar Tamang	Trekking Guide
17. Mingma Sherpa	Climber
18. Ngima Sherpa	Climber
19. Purna Bdr Rai	Trekking Guide
20. Rihar Ngimao Sherpa	Trekking Guide
21. Sangmo Tamang	Trekking Guide
22. Siddha Bdr Tamang	Trekking Guide
23. Suman Parajuli	UNITRAV CC
24. Suppu Lopchan	Trekking Guide

FGD-7 (26 Sept 2023, GEFONT, Hall)**The Discussion with leaders of Woman Health Volunteer**

1. Bhawani Adhikari	NEVA Cc
2. Dhan Kumari Shrestha	KMC-26
3. Geeta Thing	NEVA Cc
4. Kamala Panta	BMNC-4
5. Kamala Tamang	GEFONT NEC
6. Meena Thapa	Tarkeshwar MNC
7. Naranath Luitel	GEFONT NEC
8. Neel Kumari Maharjan	NEVA Cc
9. Nirmala Sapkota	KMC-14
10. Sharada Shrestha	BMNC-3
11. Sharmila Sapkota	NEVA Bagmati
12. Sita Lama	NEVACc

FGD-8 (26 Sept 2023, Manmohan labour Building, Putalisadak)

The Discussion with leaders of Education sectors' union

- | | |
|----------------------------|------------------|
| 1. Durga Rai | Teaching Staff |
| 2. Laxman Tiwari | Janmaitri Campus |
| 3. Madhav Paudel | PABSEU Cc |
| 4. Rajesh Shankar Adhikari | Teacher |
| 5. Tank Khatiwada | Meridian School |

FGD-9 (03 Nov 2023, Trade Tawor, CNI HQ, Thapathali)

The Discussion with CNI Leaders

- | | |
|----------------------|---------------------------|
| 1. Rajesh Kr Agrawal | President |
| 2. Nirojraj Pandey | Vice President |
| 3. Dhruvraj Rijal | Chief, Employers' Council |
| 4. Deepakraj Joshi | Director General |
| 5. Prayasa KC | Office Secretray |

FGD-10 (07 Oct 2023, Lake side, Pokhara)

The Discussion with union leader at Gandaki Province

- | | |
|------------------------|------------------------|
| 1. Anil Kr Singh | GEFONT Gadaki youth |
| 2. Basanta Raj Paudel | NIHWU Barahi Hotel |
| 3. Bheshraj Adhikari | GEFONT PMC |
| 4. Bhim Bdr Paudel | ITWAN load-unload unit |
| 5. Bhrihaspati Dhamala | Sujal Foods |
| 6. Biniraj Thing | ITWAN Pokhara |
| 7. Binod Paudel | NIHWU Barahi Hotel |
| 8. Bishnu Bdr Khatri | ITWAN Gandaki |
| 9. Chiranjivi Acharya | NIHWU Gandaki |
| 10. Durga KC | GEFONT Gandaki |
| 11. Goma Karki | WHIN |
| 12. Lekh Bdr Dhamala | Temple Tree Resort |
| 13. Lila Bdr Karki | GEFONT Gandaki |
| 14. Mahendra Gurung | Bhagwati Hydro |
| 15. Mamata gautam | WHIN |
| 16. Man Pd Adhikari | Bhagwati Hydro |
| 17. Maya Lamichhane | NIHWU ex-Ccm |
| 18. Niraj Gurung | WHIN |
| 19. Pampha Pahari | GEFONT NEC |
| 20. Prakash Thapa | Surya Nepal |
| 21. Prem Bdr Bhujel | Sujal Foods |
| 22. Rudra Khatri | GEFONT Gandaki |
| 23. Sangeeta Pandey | GEFONT Gandaki |

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|-----------------------|-----------------|
| 24. Sarad Adhikari | WHIN Task Hydro |
| 25. Suman urung | GEFONT NEC |
| 26. Surya P Upadhyaya | GEFONT PMC |
| 27. Tilraj Gurung | GEFONT Gandaki |
| 28. Tulasi Pd Subedi | UNITRAV Cc |
| 29. Udayraj Sharma | Bhagwati Hydro |

FGD-11 (11 Oct 2023, Relience Spinning Mills, Khanar, Itahari)

The Discussion with unionists at Reliance Spinning Mills Ltd and selected leaders of Koshi Province

- | | |
|-------------------------|-----------------|
| 1. Arun Kr Chaudhari | |
| 2. Ashok Kr Agrawal | |
| 3. Ashok Tamang | |
| 4. Bhawani Limbu | |
| 5. Binod Kr Thami | |
| 6. Bitu Kr Singh | |
| 7. Chetnarayan Rai | |
| 8. Dharmananda Sanjel | JTGWUN, Council |
| 9. Gopal Kr Parajuli | |
| 10. Govinda Kattel | |
| 11. Gulabi Sardar | |
| 12. Indra Sigdel | |
| 13. Ishwar Pd pokhrel | |
| 14. Jitendra Chaudhari | |
| 15. Kamal Kr Chaudhari | |
| 16. Kris Kr Thami | |
| 17. Maheshram Chaudhari | |
| 18. Murari Bhattarai | JTGWUN, CC |
| 19. Om Prakash Mehata | JTGWUN, Cc |
| 20. Parshuram Parajuli | |
| 21. Pitambar Kafle | |
| 22. Sagar Thapa | |
| 23. Sarita Chaudhari | |
| 24. Shivachandra Baitha | |
| 25. Shyam Nath Yadav | |
| 26. Sita Chaudhari | |
| 27. Surendra Pal | |
| 28. Sworooop Saha | |

FGD-12 (01 Oct 2023, GEFONT Province Office, Simara, Bara)**The Discussion with selected union leaders at Madhesh Province**

1.	Ajaya Kr Kurmi	Triveni Spining Mills
2.	Akhilesh pandey	GEFONT Province
3.	Akhilesh Saha	Ganapati Metal Pvt Ltd
4.	Akhlesh Kr Patel	Himalayan Distillery
5.	Balram Sahani	Surya Nepal Pvt Ltd
6.	Binod Chaudhari	KB Shyam Almunium
7.	Chandan Saha	Shubhalaxmi Metal Pvt Ltd
8.	Deepak Nagarkoti	Himalayan Distillery
9.	Dilip Dahal	Surya Nepal Pvt Ltd
10.	Hemraj Neupane	WHIN Province
11.	Hridaya Narayandas Chaudhari	Himalayan Distillery
12.	Jayshankar Chaudhari	Nandan Ghee Industry Pvt Ltd
13.	Jit Bdr Chaudhari	KB Shyam Almunium
14.	Jitan Pd Patwari	Floora Himalayan P Ltd
15.	Kamalesh Jha	GEFONT Province
16.	Manish Kr Chaudhari	GEFONT Municipality
17.	Mnoj Pd Chaudhari	Nepal Pharma Lab
18.	Mohan Acharya	Arati Saop Industries
19.	Mukti Chaudhari	GEFONT Province
20.	Nabinanth Mishra	Triveni Spinning Millis
21.	Nishad Chaudhari	Ganapati Metal Pvt Ltd
22.	Pm Prakash Saha	Britaniya Nepal Pvt Ltd
23.	Prem Chaudhari	Arati vegetables
24.	Radha Pd Kurmi	Bhagwati Steels Industries
25.	Rajesh Kr Sahani	Shubhashree Metal Pvt Ltd
26.	Ramawati Sahani	Rabhu Mill Pvt Ltd
27.	Ramdhari Chaudhari	Bhagwati Steels Industries
28.	Ramesh Chaudhari	Nepal Pharma Lab
29.	Ramesh Saha	Shubhalaxmi Metal Pvt Ltd
30.	RamlakhanYadav	KB Shyam Almunium
31.	Ramwati Saru	Narayani Oil
32.	Rhishi Pd Gautam	Surya Nepal Pvt Ltd
33.	Santosh Singh	KB Shyam Almunium
34.	Shanti devi Das	GEFONT Province
35.	Shreepal Das	CUPPEC- Bara
36.	Shyam Babu Patel	GEFONT Bara
37.	Sudarshn Paswan	Bhagwati Steels Industries

KII-1 (10 Oct 2023, Social security Fund Office, Babarmahal, Kathmandu)

The Key Informant Interviews With officials of Social Security Fund, Babar mahal, Kathmandu

- | | |
|---------------------|---------------------|
| 1. Kabiraj Adhikari | Executive Director |
| 2. Uttam Raj Nepal | Information Officer |
| 3. Rohit Regmi | Deputy Spokesperson |

KII-2 (10 Oct 2023, CLASS-Nepal, Thapathali, Kathmandu)

The Key Informant Interviews With officials of CLASS-Nepal, Kathmandu

- | | |
|-----------------------|-------------------|
| 1. Shankar Lamichhane | President |
| 2. Parsuram Pudasaini | General Secretary |

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Nepali Trade Union movement

BRAVING THE CHALLENGES

In Nepal, the trade union movement, spanning seventy-seven years, has endured through three distinct political systems. To navigate these changes, three sets of labour laws were enacted. The first act was enacted thirteen years after the uprising of the trade union movement. Following nearly half a century of continued struggle, and thirty-one years after the dissolution of the first elected parliament, new labour laws were passed in the parliament elected in 1991, shaping the foundation for employment terms. In 2015, a new constitution brought about another political shift, recognising specific labour demands of the labour movement as fundamental rights. To strike a balance between labour flexibility and social security in the world of work, the parliament passed the Labour Act 2017 and its inseparable law, the Contribution-based Social Security Act 2017, effectively addressing the majority of labour movement concerns.

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