

Reconstruction: By Creating Decent Jobs

International Solidarity meeting on Nepal

Sept. 3-4, 2015 Kathmandu

TRADE UNION ROAD-MAP FOR RECONSTRUCTION & DEVELOPMENT OF NEPAL

On the theme **Reconstruction: By Creating Decent Jobs**, the august gathering of the unionists from all over the world in solidarity with Nepali trade unions and working masses government and employers in September 3-4, 2015 discussed seriously the way forward of Nepal in a new paradigm shift of Post-Quake realities. Based on our firm determination and commitment in a frame of global solidarity sentiments, we propose this Road-Map to Government of Nepal, social partners, Nepali society and to the international community for a hand-in-hand go ahead.

1. Reviewing the disastrous Earthquake and Losses

The disastrous Earthquake with strong jolts of high magnitude of 7.8 Richter scale on April 25 and series of aftershocks have been incomparable tragedies to Nepal at a time of most difficult transitional phase of the political & socio-economic history of Nepal. Out of the 18 earthquakes greater than 6.5 in magnitude during January to mid-May 2015, four occurred in Nepal with heavy human and property losses compared to no human loss in other countries.

A large casualty of 8,790 lives and injuries to 22,300 persons with adversely affected one-third population, nearly 8 million is the immediate impact of the disaster. Altogether 31 out of 75 districts have been affected where 14 are declared as 'crisis-hit' districts. The number of total effected union members and depends has been recorded to be 60895 of which 58777 is from the crisis-hit 14 districts. There was immediate response at the people level in the form of high degree of collectivism. Spontaneous efforts through institutional frames as well as individual involvement of all have been highly significant and appreciated. The mobilisation for rescue and relief shows a record of 22,500 civil servants, 65059 from Nepal Army, 41776 of Nepal Police, 24775 of armed Police Force and almost 4000 government and private health workers worked in the mission of rescue and relief. Volunteer mobilisation of the major political parties and immediate campaigns was remarkable. Mobilisation of trade union activists by the national centres, financial support by migrant Nepali workers and assistance by international union movement, unions and union networks from abroad will always be remembered.

The help extended by international community is beyond the words of appreciation. 134 international search and rescue teams from 34 countries assisted Nepal in the immediate aftermath. A total of 7558 persons have been rescued by using helicopters and 4689 through land routes. UN and international agencies and 60 countries contributed for Emergency Relief and humanitarian assistance.

As exposed by National Planning Commission through **Post Disaster Need Assessment (PDNA)**, total disaster effect in monetary terms is estimated to have been USD 7065 millions where private sector shares 5404 and public sector 1661. Most affected is the social sector including housing with 58% of total effect followed by productive sectors (25%), infrastructures (10%) and cross cutting sectors(7%). Average value of the disaster effect per person has been NRs. 130,000 ranging from a larger 255,860 to comparatively smaller 43,800 among the most affected districts. Post-Quake GDP growth has dropped by 1.5 percentage points from the estimated 4.6% having adverse effects of heavy downward shift in agriculture, industry and services visibly in labour intensive sectors and

sub-sectors. For instance tourism industry alone is estimated to suffer a loss of NRs. 62 billion over the next 2 years. Exports have gone down to almost 11% of total imports suffering the worst balance of trade. All these indicators indicate towards the worsening living conditions of the people and more aggravated poverty situation. PDNA estimates of impact on poverty situation show that additional 700,000 have immediately gone down below poverty line. In percentage terms, nearly 2.5 to 3.5 percent of the population has been pushed in a poverty trap by the Earthquake. Moreover, it compelled people to depends on relief and rehabilitation support.

Definitely the loss is incomparable to the nation, society, economy and working people as current growth rate has been witnessed lowest compared to last 8 years. It is not the end but a new departure point towards a different dimension of development and prosperity. The losses, sufferings and tears are to be converted into a determination and unified action to build nation and society ensuring decent life to everyone. Work enthusiasm is to be boost up with the aim of rapid economic revival.

2. **New Constitution, Decent Work Agenda and development strategy**

Labour and working people have a crucial role in reconstruction and hence the on-going development strategy should be revised, modified and redefined/ reshaped with keeping working people at the centre. Naturally the new Constitution of federal democratic republic of Nepal has to pave way for pro worker highway to the destiny of a modern, prosperous society with equality and social justice. The basic features to be witnessed in this long-term campaign can be enlisted as follows:

- Ensure zero gender discrimination
- Opportunity focused to young workers
- Social security for all with focus on overwhelming masses working in informal Economy backed-up by social assistance programs.
- Broad based network of Labour Inspection System
- Quality public services assured for everyone including education, health, safe housing, water, electricity and communication
- Workers representation at least 10% in every representative bodies of the state from local level to national parliament
- Guarantee of Freedom of association and collective bargain

In sum up, these issues are categorised in a formula by the trade union movement as: **Rights, Protection, Commission** and the **Representation**. Rights indicates **rights & interest** of working class which basically covers freedom of association and collectively bargain; protection we are defining as in ILO Convention 102; seem to us commission works as semi-judiciary institution that maintains labour inspection as well as helps to delivery quick justice in workers grievances; and representation we are asking as par to the employers in all decision making and monitoring structures including political representation from local to central level in peoples representative bodies.

The four strategic pillars of Decent Work Agenda namely **job creation, respect for international labour standards & rights at work, social protection for all** and **effective social dialogue and tripartism** are to be realised in practice for nation building in post-quake strategy with perception to formalize even the informal work.

The PDNA report developed by National Planning Commission of Nepal needs a full-fledged focus on the labour, of course, in combination with the financial resources indicated in the design. We view following points should be made part of reconstruction process:

- Labour intensive strategy and efficient labour information system
- Guarantee of trade union representation in recently established Reconstruction Authority and labour department to set up labour department to assure labour standards.
- Creation of Post disaster Reconstruction Monitoring Committee in all 14 districts; ensure trade union representation in this process.
- Incorporate minimum labour standards in the procurement procedures through tripartite mechanism.
- Joint skill development trainings by the Authority, trade unions and the builders and contractors
- Union participation in entire process with full transparency

During recent years of development effort in this transitional phase, political parties have lost their class-vision and focused total attention on social groupings associated with identity based on caste/ethnic and regional discrimination. Social inclusion has been paid high emphasis but class inclusion as well as the issue of economic equality has not been given due weightage in the process.

Therefore, Worker Friendly State - Work Friendly Governance is the need of the day. We would like to be reassured not only by the government but also by the concerned stakeholders for no corruption in construction and development process and projects. The new fair development strategy needs to be focused on four major areas with high priority to raise labour productivity.

- Boost up reconstruction/new construction
- Maximize the potentials of tourism industry
- Develop agriculture as much as possible from present state of subsistence level to commercial one
- Promote the flourishing service sector

Definitely labour and human resource has to be kept at the heart of all these major focus areas with proper finance and physical resources. Review of minimum wages is one of the key concerns at present in order to mobilise the workforce in production, services and

Infrastructures, and hence we would like to request Government and Employers organization for immediate steps in this regard.

- Redesign minimum wage in a way which attracts those Nepali who are opting to join foreign employment
- Democratise workplace and ensure occupational health and safety

- Ask donor countries and institutions to prioritise Nepali resources to build Nepal

3. A Decade of Reconstruction with Focus on job creation

The total needs for reconstruction is estimated to be equivalent to US\$ 6695 million of which 61% is for social sectors including housing, health, nutrition and education followed by 17% for productive sectors consisting of agriculture, manufacturing, tourism and commerce. Similarly infrastructure development needs cover 11% including, of course, transport, electricity, water, sanitation and communication, whereas cross cutting issues also need nearly 11%.

Considering the heavy needs and limited resources within a short span of time, we give emphasis on human resources, on inclusive employment policy including people in disability and hence on a Revised National Employment Policy comprising specific sectoral and issue-based focus with an aim of creating at least 2 million jobs in reconstruction and new construction. For this, a clear policy needs to be adopted as follows:

- A new wages rate not less than NRs. 1000 per day for unskilled workers
- A government guarantee of at least 200 days of employment to assure the workers to dedicate themselves in the process.
- Democratisation of workplace with a provision of health and workplace-accident insurance of workers
- Donors and institutions prioritise Nepali resources in reconstruction.

In order to complete the reconstruction within a maximum limit of 1 decade, let us request social partners to declare the decade 2016-2026 as Reconstruction and Development Decade. The specified goals should focus on:

- Education, health, social protection and job creation
- Infrastructure especially energy and transport, public buildings, private housing and public utilities
- Poorest segments of society and their resettlement

Reconstruction naturally consists of public construction works concerning buildings, roads, dams, bridges, ropeways, railways, Hydro project, Trekking- trail, planned urbanization and so on. Similarly corporate building works and private housing both in rural and urban settlements are equally important.

The issue of skill development, vocational trainings and education courses in large scale will have a vital role to play in the entire phase of long term development with sustainability. We can convert existing challenge into opportunity through a mass training of our workers. Training on earthquake resisting structures to other skill training with due certification will have long-term impact. For this we propose followings as well:

- Migrant Nepali workers are working abroad in precarious condition and they have to be attracted through adequate policy and facility in construction and allied sectors of employment.

- The supply of labour for reconstruction can be made available also by the mobilization of unpaid family workers subsistence farm families.
- For the most efficient mobilisation, significant start may be the registration and provision of ID cards to the workers involved in reconstruction.

With reemphasis on representation of trade unions at every steps, on massive skill development of workers and on concretization of role of all concern actors, trade unions in Nepal are committed to go in partnership for post disaster response and nation building and also reaffirm collaboration with social partners, media and civil society. We pay high emphasis to the institutional capacity enhancement of trade unions.

International trade union community from abroad is always with us at every step as a global family of entire Nepal, Nepali trade unions and Nepali working masses.

The Government of Nepal promotes this commitment of trade unions and gives high value.