

# PRESENTATION

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**PRE-TRAINING REPORT**

# JOSEPH KINGSLEY AMUAH -GHANA

## Ghana Employers Association (GEA)

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- **Main Duties:**

- As the Director, Industrial Relations I support employers and members of GEA on best employment and labour management standards that will help them manage their employment and industrial relations matters. Basically, I undertake the following duties:
- Advocate and advise Employers on labour, social and economic policies and legislations
- Undertake Management and staff development support services with GEA member Organisations.
- Support Employers in determination of Staff conditions of service, development of HR policies
- Assist employers on Trade Union matters; Collective bargaining, dispute settlement procedures, Administration of discipline among others
- Represent Employers at the National Labour Commission on labour disputes matters
- Undertake sectoral remuneration surveys to assist employers determine wage levels for their Organisation

# Minimum wage determination

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## Background

- I choose this topic because of the key importance of wage determination to Employers, Trade Unions and Government in Ghana.
- Negotiations on wages have often times been characterized with tension, work boycotts and other unfriendly moments due to high expectations from workers/Unions and concerns from Employers and Governments.

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- Employers and Governments are mostly cautious of the impact of high labour cost on their businesses as well as the economy.
  - Minimum Wage determination in Ghana witnessed a serious agitation in the year, 2021 when workers particularly those within the civil and parastatal organizations threatened to boycott work over what they considered as very low salary adjustment agreed between their Union leadership and Government.

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- Every year the National Tripartite Committee comprising the leadership of the social partners meet to negotiate on the National daily minimum wage for Ghana.
  - Thereafter, the Public sector wage negotiating team also meet to negotiate with Government to agree on a base pay for workers in the Public sector.

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- The levels agreed were 4% and 6% for 2021 and 2022 respectively, which the workers considered as unacceptable due to the high inflation and rising cost of living being experienced in the country.
  - Additionally the rank and file members of the Union thought that what their Leaders agreed at the table was highly influenced by Government and that they did not negotiate in good faith.

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## Settlement

- This situation led to countless threats of strikes, verbal attacks on Trade Union leaders and rising tension among others.
- The Government through the Ministry of Employment and Labour Relations had several engagements with the leadership of the Public sector Unions which included Civil servants, Teachers, Nurses, Doctors among others and finally agreed to increase the 6% for 2022 to 7%.

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- This agreement finally reduced the tension and agitations; in view of the effects of COVID-19 which has affected the Ghanaian economy and profitability within numerous companies in the country.
  - Trade Union and workers have constantly been educated to collaborate with their employers to ensure that Businesses continue to operate, to avert mass lay-offs in this COVID period.

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- Meanwhile, private sector Employers have been engaging their respective Unions to negotiate 2022 salary adjustments in line with the terms and conditions of their collective Agreements.
  - Current inflation in Ghana is 12.6%.

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- The current national daily minimum wage of Ghana is GH¢ 13.53 (\$ 2.18) for 2022. The wage for 2021 was GH¢12.53 (\$2.02)
  - In Ghana wages/salaries are reviewed annually.
  - Even though, the situation has subsided, but the National Tripartite Committee continues to engage to find more appropriate means of addressing wage determination issues in Ghana due to the seeming dissatisfaction of the social partners over this matter.