



General Federation of Nepalese Trade Unions (GEFONT)

Report on “Rapid Assessment on the problems faced by the workers due to COVID-19”

May 26, 2020

General Federation of Nepalese Trade Unions (GEFONT) conducted a brief study on the problems faced by Nepali workers due to COVID-19. The study shows that the condition of Nepali workers has deteriorated and needs to be addressed immediately.

Status of operation of the Enterprise

In the process of study, we included 323 Enterprises with active enterprise level union throughout the country. In this study, manufacturing industries, hotels, construction companies, private schools, textiles and garments to health institutions from Biratnagar to Kailali have been included. The study found that only 17.64% enterprise including the pharmaceutical, food and beverage industries and some construction companies and health institutions are in operation. 13.63% of the Enterprises are in partial operation. More than two-thirds or 68.73 % of industrial and service enterprise have been closed.

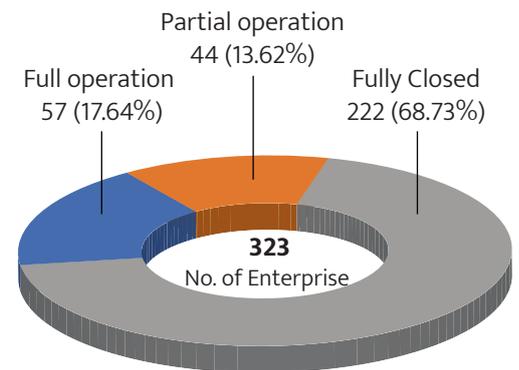
76% of the enterprises that have been operating fully or partially have been equipped with soap or sanitizer. It is found that, in most of them have to wear masks themselves while some of them have even arranged for mask and gloves according to their working condition.

Are workers are paid during lockdown?

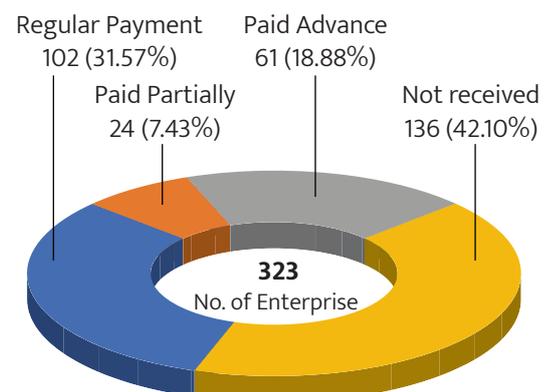
Out of the total Enterprises, only 31.57% have paid full wages to the workers, 7.43% have made partial payment and 18.88 % have received salary as advance. It is found that such advance is even less than the salary. Contrary to the commitment made by the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), 42.10% of the enterprises have not paid any salary/remuneration for the month of Chaitra (March 16 to April 15) itself.

Even the half that paid salary in Chaitra (March 15 to April 15), have not paid the salary of Baisakh (April 16 to May 15).

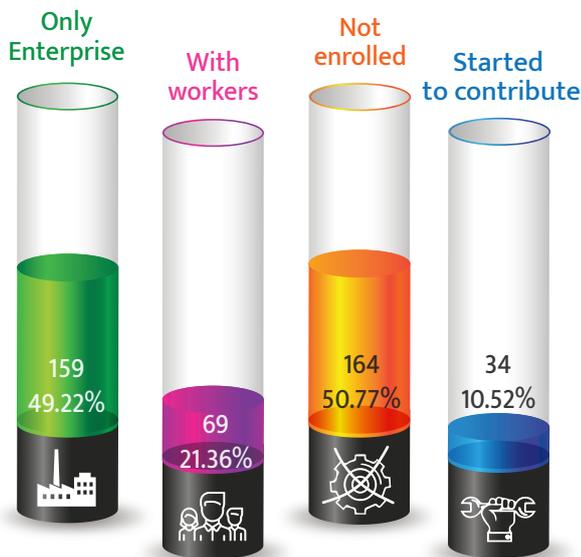
Status of operation of Industry



Status of Payment of wage (16 March to 15 April, Chaitra)



The study found that, most of the enterprises stated that they will pay after consultation with the union or may consider only after the national budget and some enterprises stated that they would pay only half of the salary, or pay reduced salary. Some Enterprises, on the other hand, have said that they will decide whether to pay wage only after the industry come to full operation.



Status of enrolment of enterprises in social security fund and contribution

During the course of this study, we found that the majority of the Enterprises are not listed in the Social Security Fund. The numbers of enterprises listed in social security fund are found to be 49.22%, out of them 21.36 % enterprise also registered their workers. It was found that the number of Enterprises that started contributing to the fund by listing both employers and workers is only 10.52 %.

Suggestions

According to the study, the workers in the informal sector as well as the workers in the formal sector have been facing the problem of eating and cooking. When the state provides any relief and facility to the industry Enterprise, the following should be addressed:

1. When the Government of Nepal decides to provide tax exemption, interest subsidy or any other facility to any Enterprise, the arrangement should be made that the workers should be paid and contributed to the social security fund. Other legal provisions should be made and implemented to pay workers salary regularly.
2. While distributing relief to the workers from local authority, all workers including workers of industrial Enterprises should be covered without any discrimination.
3. An environment should be created to run industrial enterprises by maintaining social distance and other measures so that corona infection may not be spread at workplace.

Informal Economy Workers and Pandemic

GEFONT conducted a rapid study on the situation of informal economy workers including the construction, transportation, and the, self-employed workers. In this process, we included 3173 people during the survey:

Workers-returned Home

In this context, 38.77 % of the workers in urban areas including Kathmandu and the different workplace have left their work place and returned to their homes. Most of them were facing problems due to shortage of basic needs and they return to their respective village. 22.44% of the informal sector workers are still at area of their workplace.

In case they get permission for mobility, they will return to homes or join their respective jobs. It was found that 38.79% of the workers did not try to return their home as the home and workplace are close by.

Are informal economy workers able to coordinate with employer or local government regarding relief?

Among the workers in the informal economy, 3.34% of them, who did not return their home or had demanded the relief with local government before they returned to their homes, did not get relief even once. However, 1.89 % informed that they had run out of food during the question period (May 14 to 20). 61 % of those who did not return home said that they have capacity to manage food only for a month at most.

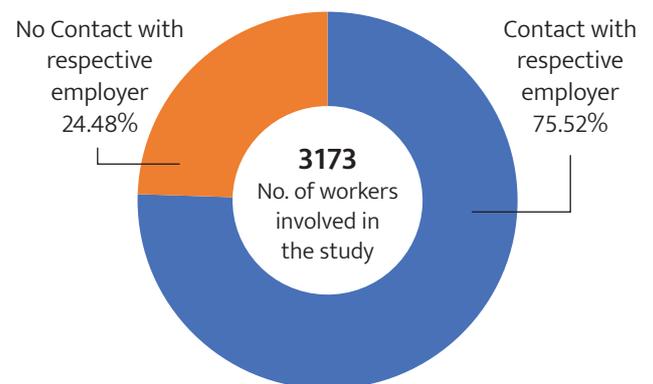
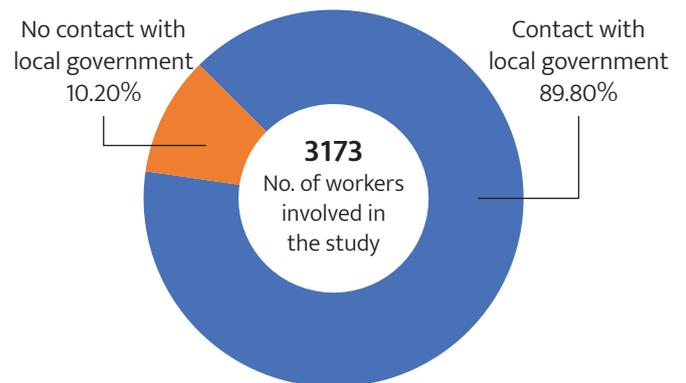
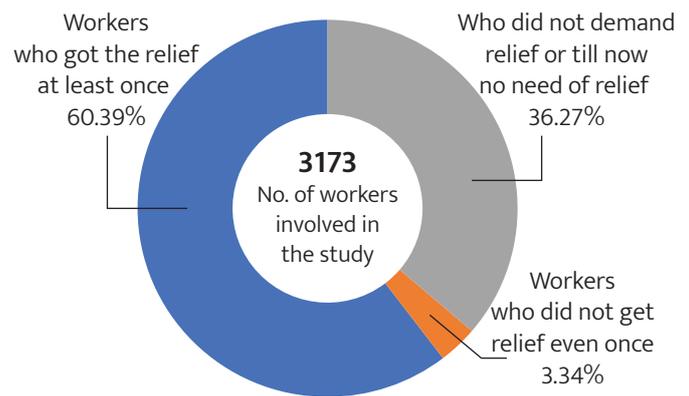
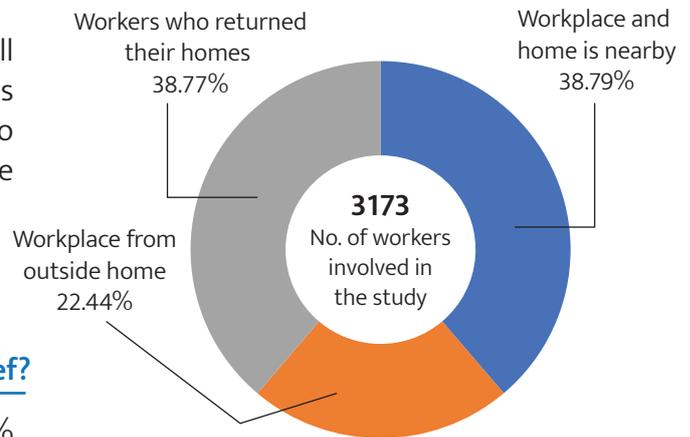
The study shows that a large number of workers left their workplaces and went home, so there was less pressure on relief demand in urban areas.

Similarly, during the study ,when we asked the workers from informal economy if they have any contact with the local government or the employer, only 10.20 % said that they had no contact with their local government.

Similarly, 24.48 % of the construction workers working on regular daily wage other than self-employment said that they were neglected or out of contact with the employer, while the other workers said that they had contact with the employer.

This rapid assessment shows that

- The workers who need relief in the urban area will not be in need of relief when they reach their permanent residence or home as their family members grow the food in their home land.
- Even if they contact the employer, they will not be paid for the period they have not worked, so such workers will also need relief.
- Many workers who have left their permanent residence and have the same permanent residence and workplace will have to be provided with relief if the period of lock-down is extended.
- Therefore, the government should make special arrangements to create a working environment in the workplace, provide relief by linking to the Prime Minister's Employment program, or provide relief to the self-employed.



Regarding workers in foreign employment

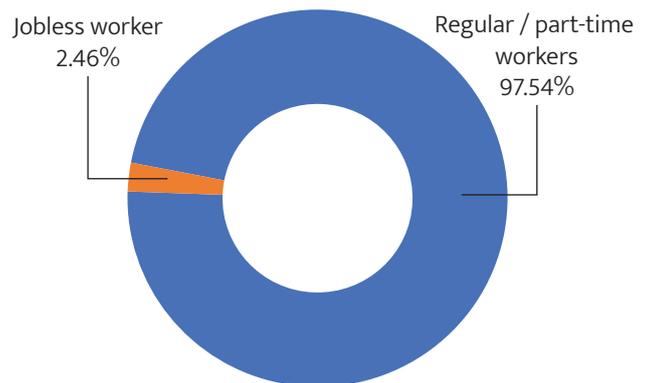
We conducted a quick study of migrant workers by mobilizing GEFONT support groups in different countries. In this process, 19571 people from Malaysia and Middle East countries including Qatar, Saudi Arabia, Kuwait, and Bahrain were included in the study. The study shows, 2.46 % workers are completely jobless. And remaining other workers are either employed or placed in camp quarantine due to corona infection.

Among the workers abroad, whose employment contract period still remains, 2.93 % have not received their wages. Remaining 10.98 % workers received only partial wages and 86.09 % received full wages. It seems that there is no provision of overtime, so it is clear that the income of workers has decreased and some of the workers are even not getting wage or only getting partial wages.

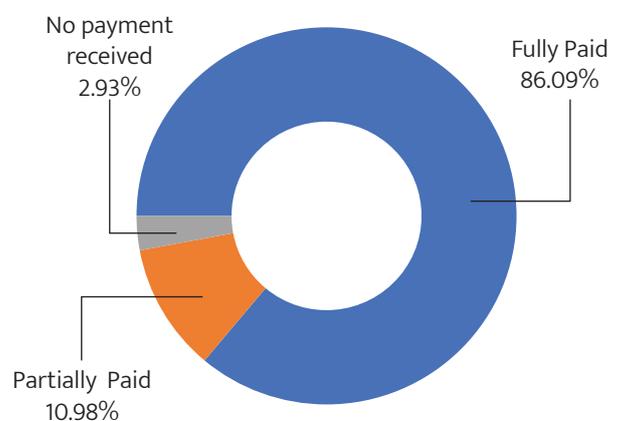
During the study, it was found that most of the workers involved in the work were provided with masks, gloves and sanitizer for basic personal safety. Most of the respondents said that there is a guarantee of treatment for the Covid 19 without additional costs.

Regarding the workers in foreign employment, it seems necessary for the government to take immediate action as follows:

1. Workers whose contracts have expired, who have not any documents and been granted amnesty and who are not getting wage should be brought back immediately. After this, arrangements should be made for workers who want to return.
2. Employment opportunities should be created within Nepal by providing necessary assistance to returnees' workers for employment at the local level or those who want to become self-employed through the Prime Minister's Employment Program.
3. Necessary protection arrangements should be made immediately through the embassy for all workers suffering from health problems in foreign lands.



Status of Payment of Wage



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