

Fair Labour Policy

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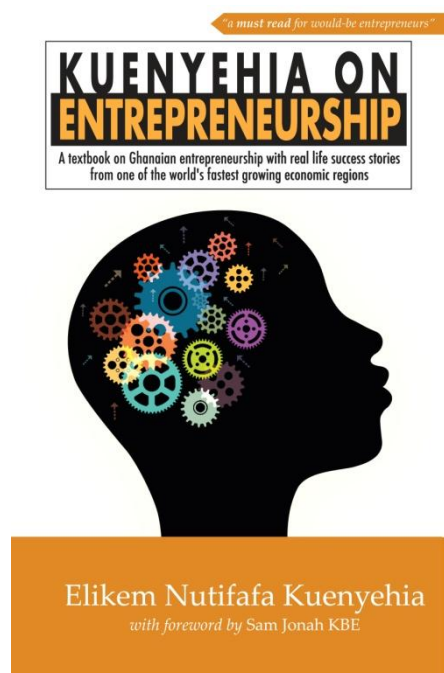


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Introduction

It is absolutely important that every business complies with both local and international standards with respect to how they treat their employees. Some countries have laws on fair labour to guide organisations. However in Ghana, although there is no law specifically for fair labour, the Labour Act, 2003 (Act 651) contains relevant provisions which address fair labour standards. Ghana is also a signatory to several conventions on international labour standards which protect basic workers' rights, job security and provide better terms of employment.

What is a Fair Labour Policy?

A fair labour policy captures all the rules and regulations governing employment. It typically includes information on minimum wage, overtime pay, recordkeeping and employment standards affecting full-time and part-time workers.

In Ghana, people would typically include fair labour provisions in their employee handbook. If you have an employee handbook, ensure that it captures all the rules regarding fair labour.

Importance of Fair Labour Policy

An organisation which has a fair labour policy will be operating in line with best international practices. The policy puts everyone in the organisation on notice about how the organisation conducts itself with respect to particular items in the policy. Additionally, most international firms prefer to deal with local organisations that have a fair labour policy and practice fair labour standards.

Compliance with fair labour policies will;

1. Protect the organisation from employment disputes.
2. Enhance the reputation of the organisation which will enable it attract good employees.
3. Define exactly what the employer and employee are responsible for and entitled to respectively, with regard to minimum wage, overtime pay, recordkeeping and employment standards amongst others.
4. Provide the necessary directions for the resolution of workplace conflicts since it spells out sanctions for flouting rules.

How to Develop a Fair Labour Policy

In order to write and implement a suitable policy, the business entity must:

- Understand exactly what the law concerning employment is generally, and in the sector of the business entity in particular. As such it is important to get an expert (usually a lawyer) to explain what the organisation legally can and cannot do.
- As much as possible, get the input of your employees during the drafting of the policy.
- Write your policy in clear concise language allowing flexibility in order to accommodate future changes.
- Have it communicated to all employees.

Points to Note in the Policy

1. *Rights of the employer include:*

- a. Employing a worker
- b. Disciplining a worker
- c. Transferring a worker
- d. Promoting a worker
- e. Terminating the employment of a worker

2. *Duties of the employer include:*

- a. Giving the worker an employment contract (or appointment letter) where the employment is for a period of six (6) months or more.
- b. Providing assignments and appropriate working tools for the worker.
- c. Paying agreed salary (and other remuneration) at the time and place agreed in the employment contract of the worker.
- d. Providing reasonable protection for the worker from risk of personal injury or damage to health while the worker is doing his work or when the worker is on the premises of the business.
- e. Training and retraining workers.
- f. Protecting the interest of the worker.

3. *Rights of the worker include:*

- a. Working under satisfactory, safe and healthy conditions.
- b. Receiving equal pay for equal work, without discrimination.
- c. Taking leave or paid holiday.
- d. Forming or joining a trade union, except where the law provides otherwise.
- e. To be trained and retrained in order to develop skills.
- f. Receiving information relevant to his work.

4. *Lawful grounds for the termination of employment include:*

- a. Mutual agreement between the employer and the worker.
- b. Where the worker is incompetent or lacks the qualification to do the work.
- c. Where the employer finds out after a medical examination of the employee that the employee is not physically fit to do the work.

- d. Where the worker engages in misconduct.
 - e. Where the worker is declared redundant.
5. By law, the maximum number of hours a worker shall spend at work is eight (8) hours a day and forty (40) hours a week. Any additional hours shall be regarded as overtime. The employment contract may however reasonably vary these hours and the worker must be compensated accordingly.
6. *Rights of Pregnant Women include:*
- a. A woman worker who is pregnant and provides medical evidence of the pregnancy is entitled to at least twelve (12) weeks of paid maternity leave in addition to any other leave which she may have for the year.
 - b. A company shall not dismiss a woman worker because of her absence from work on maternity leave.
 - c. A nursing mother is entitled to interrupt her work for an hour to nurse the baby.

How to Ensure Compliance

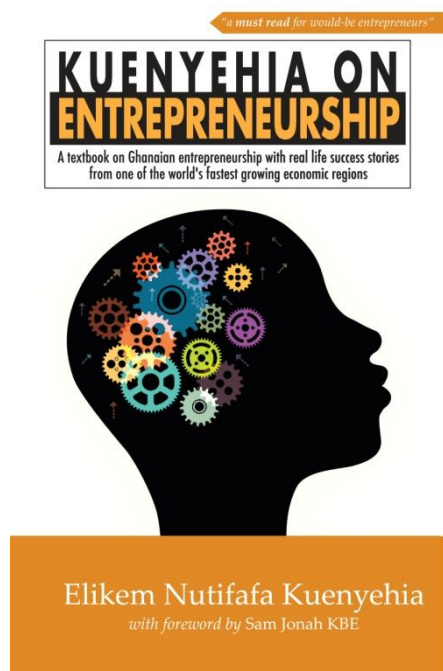
In order to ensure compliance with the fair labour policy of the organisation, it is important to give the responsibility of implementing it to a particular person. Usually it is best if it is handled by someone who is high up in the company and can make decisions concerning it. Implementation could be the responsibility of the human resources manager if your organisation is big enough for such a role. If not, any one of the senior managers could have direct responsibility.

Conclusion

The existence of a fair labour policy with regards to an organisation's productivity cannot be overlooked. It is essential that a company have certain rules of work such as a fair labour policy as part of international best practice. This policy will in turn encourage an ideal working space as opposed to businesses that do not have a fair labour policy and or do not implement fair labour standards.

Thank you for reading!

Please find more information on how to grow and strengthen your business in Ghana via [Elikem Kuenyehia's book on Entrepreneurship](#).



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