

## **IMPLEMENTATION OF LABOUR ACT IN GHANAIAN PUBLIC INDUSTRIES - AN EMPIRICAL STUDY OF THE GHANA WATER COMPANY LIMITED**

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**ABSTRACT:** *The purpose this study is to investigate the implementation of the Labour Act, 2003 (Act 651) from the context of Ghana Water Company Limited (GWCL). A total of 10 management staff and 206 senior and junior staff of Ghana Water Company Limited (GWCL), constituting 216 were sampled for the study. Out of the 206 questionnaires administered, 149 responded in addition to 5 management staff who were interviewed, giving the total of 154 respondents for the study. Statistically, less than half of the respondents, 74 (48%), admitted that there were a number of challenges in the implementation of the Labour Act while 80 (52%) expressed otherwise. The study established that the implementation of the Labour Act, 2003 (Act 651) at the Ghana Water Company Limited is not up to expectation. It is recommended that a study in the private sector will contribute to a more in-depth understanding of the research topic.*

**KEYWORDS:** Labour Act, Implementation, Empirical Study, Public Industries, Ghana Water Company Limited

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### **INTRODUCTION**

The introduction of the Labour Act, 2003 (Act 651) as expected by many was to drastically reduce industrial disagreements and chart a course for tranquillity and productivity to achieve stated organisational objectives. This was especially was a dawn of hope its provisions will help in handling industrial grievances and disputes using negotiation, mediation, voluntary and compulsory arbitration to gradually eliminate thoughts of strikes and lock-outs. Thus, if both the employer and employees make the Act the reference point or authority in their deliberations, the industrial climate would be a very satisfying one to both parties.

In October 2003, the Ghanaian Labour Act was promulgated and in April 2005, the National Labour Commission was sworn in by the then president, H.E. John Agyekum Kuffour. These landmarks in the field of labour were hailed, and deservedly so, since this dual achievement was to reduce remarkably, if not eliminate tension and industrial disharmony that were being experienced in the labour field. Thus, the new created labour platform was perceived as one which would ensure co-operation of the parties and assist in reaching copasetic relations. However there was an immerging implementation problem of the Labour Act. This problem of implementation can be linked to a dismantled system that had a structure of nationwide spread (Mbroh, 2006). Prior to the birth of the Labour Act, almost every district in Ghana had a

Labour Office where people lodge complaints related with labour. Every worker knew the Labour Office and was encouraged to take their concerns to their district Labour Office (Zaney, 2007). The scales have turned, under the current dispensation, although the Labour Act states that district offices may be opened, this is yet to materialise. A nagging trend which impeded the implementation Labour Act was where another state institution, the Commission on Human Rights and Administrative Justice (CHRAJ) came into being and some employees decided that the CHRAJ was a more potent institution to lodge industrial complaints. This trend even led to some employers receiving letters from the CHRAJ Office inviting them to answer to charges laid against them of which the bold ones wrote back intimating that the CHRAJ had no place in their collective agreements concerning grievance handling and resolution of industrial conflicts which plagued their respective organisations.

According to Johnson et al. (Johnson, Scholes, & Whittington, 2008), implementation or implementing carries the thought of taking responsibility to actually make things or changes. This study seeks to investigate the implementation of Labour Act the Ghana Water Company Limited.

## **METHODS AND MATERIALS**

The study is limited to investigating into the implementation of the Labour Act, 2003 (Act 651) from the context of the Ghana Water Company Limited (GWCL). To achieve this, the researcher made use of both primary and secondary sources of data. The researcher made use of both open and closed-ended questions. Sources of secondary data used for the study included the website of the selected organisation, the office of the human resource officer, textbooks, journals, internet, and other sources.

The study targeted a population of employers and employees of Ghana Water Company Limited (GWCL). The organisation employs a total of 386, categorised into Management staff, Senior staff and Junior staff, who formed the target population for the study.

A total of 10 management staff and 206 senior and junior staff of Ghana Water Company Limited (GWCL), constituting 216 were sampled from the target population. The study selected respondents from the various departments using simple random sampling. The sample size was drawn based on the staff strength of the various departments including Customer Care, Distribution, Production, Accounting and Finance, Human Resource, and Management Information Systems (MIS) departments. Questionnaire was designed to solicit information from the respondents. The questionnaires were given to the respondents to fill. A total of 206 questionnaires were given out to be completed by the respondents. Fisher (Fisher, 2007) explains that a questionnaire is a technique for collecting data in which a set of options or scenarios is developed and written into questions for respondents to complete by entering their preferences or their judgments about the probability of

each scenario. Interviews were also conducted to augment the information received from the responses of the questionnaire.

## RESULTS AND DISCUSSIONS

### **Implementation of Labour Act, 651 at Ghana Water Company Limited (GWCL)**

Out of the 206 questionnaires administered, 149 responded in addition to the 5 management staff who were interviewed giving the total of 154 respondents for the study. The findings of this study however present factual content to reveal the current state of the implementation of the Labour Act, 2003 (Act 651) at the Ghana Water Company Limited. The study discovered that the GWCL's workers had a labour union called the Public Utility Workers' Union (PUWU) which serves to protect and advance workers' rights and interests. The research revealed that majority of the respondents, 132 (86%), belonged to the labour union. The union had been vibrant in dealings with the employer. An encouraging number of the respondents, 145 (94%), indicated that GWCL does not interfere in the union's activities. This climate has contributed to the union becoming more vibrant and responsible in speaking for and educating workers on their rights and duties. Also, this climate has contributed to a friendly but not an antagonistic relationship between GWCL and its employees.

Statistically, less than half of the respondents, 74 (48%), admitted that there were a number of challenges in the implementation of the Labour Act while majority of the respondents, 80 (52%) did not find challenges with the implementation of the Labour Act. Although the number of respondents who admitted that there were a number of challenges in the implementation of the Labour Act was in the minority, the reasons that they offered highlighted what may be lacking in an effort to implement the Act. First, they pointed out minimum employer effort in this regard. They thought Ghana Water Company Limited has not been fully involved in educating staff but rather has left this on the shoulders of the labour union. Second is the problem of finance. While many of the respondents felt that, generally, lack of awareness of the Act posed a challenge to implementation, some were concerned about how the Labour Commission handles workers who contravene the provisions of the Act. Some cited that either the Labour Commission is branded a political puppy or is a toothless organisation because it often fails to sanction unions and employers who fail to follow the legal provisions as found in the Act.

Also a significant number of the respondents, 59 (38%), expressed their view that there have been abuses of some provisions found in the Act. Many, though, could not give reasons, which may be predicated on the fact that they lack knowledge on some key duties of both the employer and employees. Some however indicated some clear cases of abuse where Ghana Water Company Limited failed to provide needed tools for workers but uses undue powers to get workers accomplish tasks usually under unhealthy and unsafe settings.

Finally, the study revealed that 132 (86%) respondents were however satisfied with provisions in the Act. This may be due to how many perceive their collective

agreements as equating to the Act, and the fact that the labour union and the Ghana Water Company Limited are generally in good terms.

## CONCLUSION

Despite the unfortunate developments in the implementation of Labour Act, 2003 (Act 651) at the Ghana Water Company Limited, there is a basis for an expectation that the current trend could be translated into one that holds a greater prospect of effective implementation of the Act. In practice, the implementation of Labour Act, 2003 (Act 651) at the Ghana Water Company Limited is not up to expectation. This is because the study uncovered several challenges that hindered the implementation of the Labour Act. Notable among these challenges were education on the Act; financial constraints; and the lack of assertiveness and firm decision making by the National Labour Commission whenever contraventions surface. Obviously these realities affect in poor or unsatisfactory implementation of the Act.

## RECOMMENDATION

In view of this study, it is recommended that a study in the private sector will contribute to a more in-depth understanding of the research topic. This is partly due to the perception that some private business do not adhere to the provisions in the Act especially when dealing with their employees.

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