

THE PARLIAMENT OF UGANDA



**REPORT OF THE COMMITTEE ON GENDER, LABOUR AND SOCIAL
DEVELOPMENT ON THE NATIONAL GRADUATE SCHEME BILL,
2018**

OFFICE OF THE CLERK TO PARLIAMENT
SEPTEMBER, 2019

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1.0 INTRODUCTION

The National Graduate Scheme Bill, 2018 was tabled for first reading on Wednesday 9^h January, 2019 and referred to the Committee on Gender, Labour and Social Development for consideration, in accordance with Rule 128 of the Rules of Procedure of Parliament.

2.0 BACKGROUND

The promotion of graduate skill development is embodied in the broad language and letter of the Constitution of the Republic of Uganda 1995, particularly Objective XVII, Articles 21(4), 30 and Article 40.

Objective XVIII states thus;

“The State shall take appropriate measures to afford every citizen equal opportunity to attain the highest educational standard possible”

Article 21(4) states thus;

“nothing In this article shall prevent parliament from enacting laws that are necessary for – (a) implementing policies and programs aimed at redressing social, economic, educational and other imbalances in society”

Article 30 states thus;

“All persons have a right to education.”

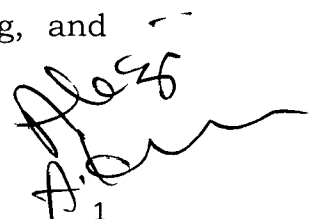
Article 40 (2) states that;

Every person in Uganda has the right to practice his or her profession and to carry on any lawful occupation, trade or business.”

3.0 OBJECT OF THE BILL

The object of the Bill is;

- i) to establish a National Graduate Scheme;
- ii) To provide a mechanism of bridging the gap between University Education and employment opportunities;
- iii) To provide young graduates with employment training through work-related learning;
- iv) To enhance graduates’ employability and self-employment through career guidance, job placement, mentoring, and connection to enterprise models;



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- v) To enhance the technical capacity of graduates over and above their academic qualifications prior to employment;
- vi) To provide a mechanism or avenue through which experience, practical skills, patriotism, volunteerism, discipline, handiwork, professional altitude, and social responsibilities as can be implemented prior to their employment;
- vii) To enable graduates offer rare technical and professional skills to the communities that nurture them;
- viii) To close the gap of low absorption in the public and private sectors due to low staffing levels.

4.0 METHODOLOGY

In the process of scrutinising the Bill, the Committee applied the following methods:

4.1 Meetings

The Committee held meetings and received memoranda from, among others, the following stakeholders:

- The Ministry of Gender, Labour and Social Development;
- National Council for Higher Education;
- Federation of Uganda Employers;
- Private Sector Foundation;
- National Youth Council;
- Uganda Parliamentary Forum for Youth Affairs;
- The Ministry of Education and Sports;
- Hon. Waira Kyewalabye Majegere S.J, the mover of the Bill.



4.2 Document review

The Committee reviewed and made reference to the following local and international instruments

- Constitution of the Republic of Uganda, 1995
- The Employment Act, 2006
- Business Technical Vocational Education And Training (BITVET) Act, 2008






- The International Labour Organisation's Employment Policy Convention 1964

5.0 LEGAL JUSTIFICATION FOR A GRADUATE SERVICE SCHEME

5.1 International obligation

Uganda ratified the Employment Policy Convention, 1964 on 15th July 1966. The said policy aims at ensuring that-

- (a) there is work for all who are available for and seeking work;
- (b) such work is as productive as possible;
- (c) there is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in, a job for which he is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin.

It follows from the above that if Uganda is to achieve the said objects of the Convention, a National Graduate Scheme is developed to ensure that not only are the graduates employable through skills development, but also to offer opportunities for the graduates to have an opening into the job market.



5.2 Constitutional obligation

As stated above, the promotion of graduate skill development is embodied in the broad language and letter of the Constitution of the Republic of Uganda 1995, particularly Objective XVII, Articles 21(4), 30 and Article 40.

5.3 Compliance with Gender, Human Rights, Equity and Sustainable Development Goals

Parliament is required to take into account the Bill's compliance with gender, equity, human rights and sustainable development goals, while carrying out its legislative mandate.

The Committee however, made amendments to the Bill to ensure that it complies with equity, especially in regard to the rights of Persons With Disabilities is concerned.

6.0 SUMMARY OF THE BILL



a) The Bill's Sponsor

This is a private Members' Bill. presented to Parliament by Hon. Waira Kyewalabye Majegere S.J, Member of Parliament for Bunya East County, Mayuge District. He obtained leave of Parliament to introduce the Bill in line with the relevant constitutional provision, which allows members to introduce Bills.

b) Purpose

The object of the National Graduate Scheme Bill is "to establish a National Graduate Scheme and designate a secretariat responsible for administration of the Scheme.

c) Justification



The sponsor of the Bill argues that the Bill is necessary for the following reasons;-

- i) Graduate Skills development is very important for the production of critical skills in Uganda. It is a sound investment for the individual, the employer, and the economy. For the individual, the economic returns on this investment accrue in the form of increased earnings. For companies, the economic returns are realised through gains in productivity and profits. For an economy, the returns trickle down in the expanded outputs of goods and services and economic growth whose net effect is better standards of living, accessibility to services by the community.
- ii) For many Uganda's young graduates, the transition from school to work is problematic due to many obstacles that graduates face, once they leave the safety net which university life gives them. One of those obstacles is the transition from the academic world into the labour market. The proposed law would act as an avenue for mentorship and development.
- iii) Existing remedies for skilling graduates are mainly informal and not legally established, leaving them subject to abuse.

In addition to the arguments brought forward by the sponsor of the Bill, it was worth noting by the Committee that Uganda's education

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system is highly theoretical and graduates join the world of work with little to no skills.

6.0 OBSERVATIONS AND RECOMMENDATIONS

During consultations on the Bill, the Committee received information about the Bill. In addition to the amendments to the Bill as attached to this Report, the Committee made the following observations during its interactions with several stakeholders.

6.1 Amendment of title of the Bill to “National Graduate Service Scheme Bill”

The Committee observed that there is need to emphasise the Scheme as a Service with several volunteer schemes under it. This calls for the title of the Bill to be amended from “National Graduate Scheme Bill” to “National Graduate Service Scheme Bill.”

The Committee further noted that incorporating “Service” into the Scheme will solve the problem of low staffing levels in public institutions across the country. The Committee also noted that it shall improve service delivery nationwide if the scheme functions as a Service.

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The Committee recommends that the title of the Bill be amended to read “National Graduate Service Scheme Bill.” This shall help emphasize the nature of scheme as a Service Scheme.

6.2 Graduates’ Welfare and Stipend Allowance

The Committee observed that the Bill is silent on a stipend. In a meeting with the Ministry of Gender, Labour and Social Development, the Committee took note of the minister’s analysis that there is no provision as to a stipend allowance for graduates that may cover their transport and lunch during work hours.

The Committee recommends graduates be provided with a transport and lunch allowance which necessitates the provision of a stipend allowance in the Bill amounting to at least 370,000 Uganda Shillings per month.

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6.3 Provision of a voluntary savings scheme under the Service.

The Committee observed that more than job skills, there is need for the scheme to create a safety net for the graduates during their service under the scheme and after their exit. In a meeting with the Minister of Gender, Labour and Social Development, the Committee observed that the law on the graduate scheme could take advantage of the National Social Security Fund (Amendment) Bill, 2019 that seeks to create a safety net for all persons in both the formal and informal sector so as to ensure that in the long term, graduates are protected from life's hazards ahead of time.

The Committee recommends that 20% of the stipend allowance under the voluntary savings scheme with the National Social Security Fund. This shall create a safety net for the graduates overtime, long after they have exited from the graduate service scheme.



6.4 Establishment of an experience and skills development levy

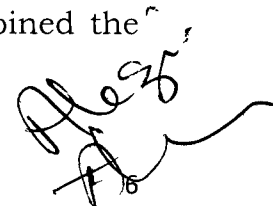
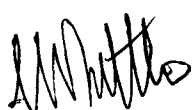
The Committee observed that there is need for establishment of an experience and skills development levy to enable the smooth running of the Scheme. The BTVET Act, 2008 currently provides for a training levy to be established by the minister responsible for Finance. The meeting resolved that the said levy under section 22 of the BITVET Act to be operationalized for the National Graduate Scheme Bill.

The Committee recommends that an experience and skills development levy as necessitated by the Business Technical Vocational Education And Training (BITVET) Act, 2008 be established under the Scheme to enable the smooth running of the Scheme.

6.5. Removal of restrictions on the age of the graduates.

During meetings with various stakeholders, including the Minister of Gender, Labour and Social Development, National Council for Higher Education and Federation of Uganda Employers, the Committee was informed that Clause 3 of the Bill, that restricts graduates under the Scheme to the age of 30 and below, is discriminatory to mature entry graduates, as well as upcountry graduates who may have joined the

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education system under government's Universal Primary and Secondary Education Schemes later in life.

Further, the Committee noted that all fresh graduates who lack experience regardless of their age should therefore be given the opportunity for placement.

Accordingly, the Committee recommends that the age of 30 be deleted from Clause 3 of the Bill.

6.6. Accreditation of Separate Training Programs.

The Committee observed that individual entities may seek separate and independent training and service schemes similar to the scheme. In a meeting with Uganda Manufacturers' Association, it was observed that a similar program is currently running under the Ministry of Education and Sports, as well as UMA's auspices, without any regulatory framework.

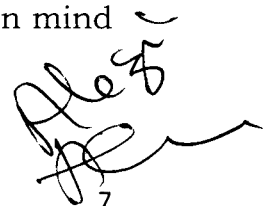
The Committee therefore noted that such voluntary service schemes need to be promoted albeit under a regulated framework that includes their accreditation. This will prevent incidences of exploitation of labours under the pretext of a voluntary service scheme, and any other vices that may befall an unregulated sector.

The Committee recommends that a Clause be included in the bill to ensure accreditation of organisations that seek to run independent volunteer service programs/schemes. This shall, inter alia, ensure that apprentices under such independent schemes do not replace employees, and that such apprentices are not exploited by the said volunteer service schemes.



7.3 Missing provisions

The Committee observed that the Bill does not have specific provisions for the roles and responsibilities of the different key stakeholders including the coordinating Ministry, the Company, the Graduate and Employers and Sector business Association and the Trade Unions. In the Committee's meeting with the Uganda Parliamentary Forum for Youth Affairs, it was observed that the bill needs to take into account the specific roles of the abovementioned stakeholders, bearing in mind



the extent of their responsibilities in the Scheme to enable its efficient running.

The Committee recommends that the roles of the different stakeholders be specified in the Bill. The said roles could include but are not limited to the following; -

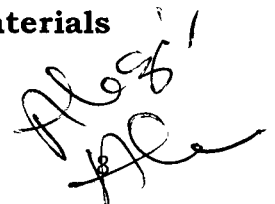
A. The coordinating Ministry

- i) Devise and issue necessary regulations that govern graduate service schemes based on social dialogue;**
- ii) Mobilise companies and training institutions to collaborate in implementing graduate service scheme trainings;**
- iii) In collaboration with accreditation and quality assurance institutions, coordinate the implementation of graduate service scheme trainings;**
- iv) Facilitate assistance wherever applicable in accordance with the set criteria;**
- v) To provide career guidance to empower young people to make well-founded choices;**
- vi) Encourage and support companies providing graduate service scheme for disadvantaged learners; and**
- vii) Develop and maintain a database and electronic system regarding formal graduate service schemes;**
- viii) Preparing and signing Public Private Partnerships**
- ix) Preparing graduate service scheme contracts**



B. The Company

- i) Supervise craftsperson and mentors for the graduate service scheme training;**
- ii) Ensuring safe and healthy work environment and provision of induction training including occupational safety and health regulations and rules;**
- iii) Monitor the progress of learning against the programme on a regular basis and provide report;**
- iv) Guarantee access to rights for apprentices based on the graduate service scheme agreement;**
- v) Provide training allowances as stipulated in the national framework**
- vi) Utilise the work, expertise and innovations of graduate service scheme; and**
- vii) Possess the intellectual property of the outputs, information, data, innovation and any other materials**



in any medium or format which are created or developed by graduate service scheme in line with the law.

C. Graduates under the Scheme

- i) Follow the graduate service scheme training program and acquire prescribed skills and knowledge by complying with regulations and rules established by the Company;
- ii) Use tools, machinery and equipment with due care, respecting the instructions given by supervisors;
- iii) Undertake exams/assessments and demonstrate acquired knowledge and practical skills;
- iv) Bear the necessary costs including stationeries and examination fees;
- v) Maintain the good reputation of the company that implement the graduate service scheme program;
- vi) Maintain the good reputation of the company that implement the apprenticeship program including non-disclosure of any confidential information or trade secrets or any other information (unauthorised) that they have obtained in the course of the training;
- vii) Receive training allowances and other benefits as stipulated in the national framework and agreement;
- viii) Receive apprenticeship certificate after successful completion of the training programme;
- ix) Apply for training costs assistance from the government or any other entities and
- x) Attend all organisation programs and execute all responsibilities effectively.



D. Employers and Sector Business Associations

- i) Promote graduate service schemes by raising awareness of member Companies and encourage participation;
- ii) Contribute to competency standards development for key occupations;
- iii) Proactively communicate skills needs to relevant government authorities and training institutions; and
- iv) Review the current skills shortages and anticipate skills needs.



8.0 CONCLUSION

The Committee therefore concludes that the National Graduate Scheme Bill, 2018 be amended to create a broad-based coalition of the State and non-State actors in the promotion of the rights to education and economic freedom in Uganda. The Committee was cognisant of the fact that the question of resources is a central one. Uganda is a developing country, with a limited resource basket.

Nevertheless, the Committee was of the considered opinion that the funds implicated by the steps necessary to skills development for graduates in Uganda on an equal basis with fellow citizens are not necessarily prohibitive, especially in terms of the great public policy and purpose entailed by such a measure.

The Committee therefore recommends that the Bill be passed with the proposed amendments as attached to this Report.



PROPOSED AMENDMENTS TO THE NATIONAL GRADUATE SCHEME BILL, 2018

TITLE OF THE BILL

Insert the word “Service” immediately following the word “Graduate” appearing in the short title of the Bill.

Justification

To align the title of the bill to the objects of the Bill.

CLAUSE 1: Commencement

Insert a new paragraph (2) to provide as follows;

(2) The Minister may, by statutory instrument, provide for bringing into effect this Act in phases.

Justification

To allow for the management and implementation of the graduate scheme in phases, where it becomes necessary.

CLAUSE 2: Object of the Bill



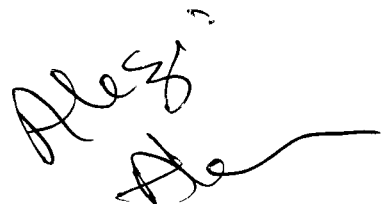
a) Insert the word “to” immediately after the word is and delete the same everywhere else it appears in the clause.

b) Insert new paragraphs (2), (3), (4), (5), (6) and (7) immediately following paragraph (1) and renumber accordingly as follows-

(2) consolidate all graduate schemes under the National Graduate Scheme in the Ministry;

(3) bring into effect the Employment Service Convention, 1948;

(4) create inter-agency linkage between the labour market and Higher Institutions of learning to address skills requirements and gaps;



(5) create a communication mechanism between institutions of Higher Learning, training institutions and the labour market;

(6) provide an avenue for monitoring the absorption capacity of the job market in relation to the number of graduates;

(7) bridge the employment gap in public service of rural areas.

Justification

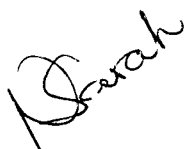
- (i) For better drafting.
- (ii) There already exists other graduate Schemes that require a legal framework for result oriented management.
- (iii) The Employment convention of 1948 requires member states to the International Labour Organization to maintain a free public employment service which should consist of a national system of employment offices under the direction of a national authority.
- (iv) There is need to create a linkage between the agencies involved in education, skilling and labour market so as to bridge any gaps that may exist.

CLAUSE 3: Application

- (i) In paragraph (1), substitute for the word 30, the word thirty-five.
- (ii) Delete paragraph (2).

Justification

- (i) There are many students, most especially from up country areas that start education quite late and who may graduate after making 35 years of age. Such students should be allowed to benefit from this opportunity of skills development and service delivery to the Country.
- (ii) All graduates including professional trainees shall be eligible for graduate service.



CLAUSE 4: Interpretation

In the definition of the word graduate, insert immediately after the word time appearing at the end of the sentence, the following words;

“and includes a graduate of a post graduate professional training undertaking as a requisite subsequent professional training.”

Justification:

Service delivery in all sectors of the economy is necessary. There is need to include all eligible graduates including those that undertake post graduate professional training under the scheme.

CLAUSE 5 : Establishment of the National Graduate Scheme;

- (i) In paragraph (2) substitute for the word “labour”, the words “employment services.”
- (ii) Insert a new paragraph (3) and renumber accordingly as follows;

(3) The Commissioner of the Department responsible for Employment Services shall be the head of the secretariat.

Justification

- (i) The function of counseling, guidance, mentoring and placement for the purpose of enhancing employability and self employment is performed at the Ministry responsible for Labour by the Department of Employment Services and not the Department of Labour as proposed in the Bill.
- (ii) The Department responsible for employment services, now designated secretariat is headed by the Commissioner Employment Services.

CLAUSE 7: Powers of the Minister

Delete the entire clause

Justification

Powers of the Minister should be exercised under clause 17 through the issuance of regulations and guidelines.

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CLAUSE 8: Annual Report

- (i) In paragraph (1) substitute for the word “Secretariat” the word “Commissioner”.
- (ii) In paragraph (3), delete the entire provision.

Justification

- (i) The Commissioner responsible for employment services shall submit the annual report to the Minister.
- (ii) Consequential amendments arising from the proposal to amend clause 10(4) which provides for instances where a graduate may be awarded a certificate of graduate Service without undertaking graduate Scheme.

CLAUSE 9: Notification of the Secretariat.

Replace the entire provision with the following;

“9. Notification of the Secretariat

The National Council for Higher Education shall forward to the Secretariat a list of all graduates eligible for placement as soon as practicable.”

Justification

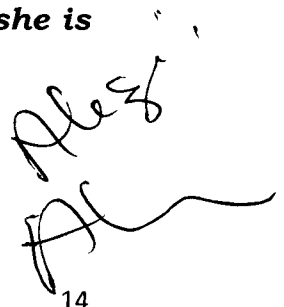
The National Council for Higher Education has acquired the Management Information System that is able to receive and store data from Universities and can therefore examine and accurately report on the eligibility of graduates for the benefit of the graduate scheme.



CLAUSE 10: Placement of a graduate under the Scheme.

- (i) In paragraph (3) substitute for the words **“one year after the date of graduation ”** the words **“at least two years following the date of graduation.”**
- (ii) Replace paragraph (4) with the following;

“A graduate who is not placed within a period of two years may be placed by the Secretariat if he or she is still interested.”



Justification

- (i) To avoid creating an absurdity in the law in cases where a graduate is not placed within a period of one year.
- (ii) To provide for an avenue for all interested graduates to be placed under the Scheme.
- (iii) The provision which seeks to have a graduate who has not undergone graduate service get a certificate defeats the purpose of the Bill and undermines the value of the certificate.

INSERTION OF A NEW CLAUSE;

Insert a new clause immediately after clause 11 and renumber accordingly as follows;

11A . Terms and conditions of placement.

(1) A graduate to whom this scheme applies shall be placed upon such terms and conditions obtaining to the public or private entity in his or her field of study in which the graduate is placed.

(2) An organization where a graduate is placed shall register with the National Social Security Fund as a contributing employer and shall make regular contributions of 20% of the stipend allowance for his or her graduates in accordance with the National Social Security Fund Act.



CLAUSE 12: Certificate of Graduate Service

Delete paragraph (2).

Justification

Consequential amendment

CLAUSE 14:

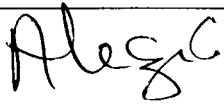
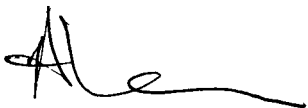

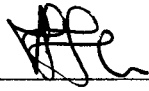

Delete the entire clause.

Justification

Consequential amendment arising from amendment of clause 10.



MEMBERS OF THE COMMITTEE ON GENDER, LABOUR AND SOCIAL DEVELOPMENT

No	NAME	CONSTITUENCY	PART Y	Signature
1.	Hon. Ndeezi Alex	PWDs (Central)	NRM	
2.	Hon. Agnes Kunihira	Workers		
3.	Hon. Okabe Patrick	Serere County	NRM	
4.	Hon. Naigaga Mariam	Namutumba District (WDR)	NRM	
5.	Hon. Arinaitwe Rwakajara	Workers' Rep	NRM	
6.	Hon. Asamo Hellen Grace	PWDs (Eastern)	NRM	
7.	Hon. Ogenga Morris Latigo	Agago north County	FDC	
8.	Hon. Kesande G. Bataringaya	DWR Rubirizi	NRM	
9.	Hon. Osoru Mourine	DWR Arua	NRM	
10.	Hon. Rwabogo Sylvia	DWR Kabarole	NRM	
12.	Hon. Aol Jacqueline Rama	DWR Nebbi	NRM	
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14.	Hon. Lubogo Kenneth	Bulamogi County	NRM	
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17.	Hon. Anywarach	Padyere	INDEP	

	Joshua Cater			
19.	Hon. Wekomba Sarah	DWR Bulambuli	INDEP	<i>Sarah</i>

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