

## **The perception of employees about the regulatory environment in the tourism industry: *Insights from Nepal***

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### **ABSTRACT**

*This paper aims to explore the perceptions of tourism employees on the role of regulatory environment including the government in promoting employees' welfare. Despite a need for an examination of employees' voice in the formulation of employment policies and in their implementation by a government, no or very little literature specifically dealing with this topic has been found during the present study. This paper is an attempt to fill this gap. Based on an in-depth semi-structured interview with hotel and airline employees in Kathmandu (Nepal), this paper hammers out three key aspects of the regulatory environment that may affect employees' welfare, viz., efficiency of labour law, government's attitude towards tourism labour, and judicial process and system. The paper discusses the implications of these findings for the tourism industry as well as for the government in developing countries.*

**KEYWORDS:** *regulatory environment, tourism employees, tourism industry*

### **I. INTRODUCTION**

This paper aims to explore the perceptions of tourism employees on the role of regulatory environment including the government in promoting employees' welfare. The labour market in the tourism industry is dominated by a large number of small and medium-sized enterprises that employ many highly seasonal, part-time, female and migrant workers among others (Singal, 2015). Many of these workers receive relatively low wages and often work in poor working conditions (Chambers & Rakić, 2018; Zampoukos & Ioannides, 2011). Although the tourism industry provides a variety of opportunities and positions for a range of labour including new entrants with minimal skill, because of the characteristic of labour work: routine and manual tasks, irregular working hours and sometimes an exploitative management, it has also been considered by some as an undesirable industry to work in (Cooper & Ruhanen, 2009; ILO 2003; Wood & Pedler, 1978). A few reports on the development and challenges in the hospitality and tourism sector have indicated that working conditions have not improved much in many establishments, including some hotels and airlines (Bakas, Costa, Breda, & Durão, 2018; ILO, 2010; Vučetić, 2018).

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improving working conditions in the tourism industry is however affected by several factors, including the roles that industrial relations actors— such as employers, employees, the government, and trade unions, among others—play (Edwards, 2003). For example, the government can influence the welfare of employees directly through laws on wages (e.g., minimum wages), and working conditions (e.g., on hours of work) (Edwards, 2003). Since the tourism industry is highly labour intensive (Riley, Ladkin, & Szivas, 2002), developments in the regulatory environment including tourism policies and practices of the government may have significant impacts on a large number of workers, and on their psychological and socio-economic lives (Hill, 1977; Woo & Postolache, 2008).

Therefore, considering the characteristics of the labour market conditions coupled with their potential adverse effects on a large number of workers, development of such policies and practices by the government should at least include the voices of tourism employees who will actually be the one who will bear the consequences of those policies and practices. To be fair, it is under-researched, as there only a few studies that demonstrate the effects of government policies on labour markets (Beatson, 1995; Destefanis & Mastromatteo, 2009; Lopes, 2003), the implications of justice systems for the workers (Siber, 1974), or how governments have systematically suppressed union formation that advocate for employees' welfare (Anyim, Ikemefuna, & Ekwoaba, 2012; Hyman & Gumbrell-McCormick, 2010). This paper has sought to fill this gap by exploring the views of tourism employees about the current status of regulatory environment, including the labour laws and policies, the roles played by the government and how they influence the welfare of tourism workers.

This study focuses on the labour market in the hotel and airlines sector in Nepal, undertaken in Kathmandu, the capital city. Nepal provides a fitting platform for the study because of its experiences with a number of labour disputes for a variety of reasons including legal matters for the last 20 years (Upreti, Sharma, Upadhaya, Ghimire, & H, 2013). This study also has sought to examine the situation within the context of a developing nation. In comparison to developed countries where steady wage and employment are the norms, the labour market in developing nations is usually extremely volatile, and the workers not only earn low and uncertain earnings for their long working hours, a large majority of those who work in the private sector are not registered with the government and therefore do not receive job-related social protections (Fields, 2011). Hence, it is expected, that this study can assist industry practitioners, including managers and workers, as well as policy makers in devising and executing appropriate policies and strategies in order to develop and strengthen the labour market and improve working conditions in developing countries. As many developing countries seek to build the tourism industry as an engine for their economic development (Cooper & Ruhanen, 2009), the study is expected to be useful for researchers who are focusing on developing countries.

## **II. LITERATURE REVIEW**

This section presents a review of past literature in the studied area.

### **Government and employees' welfare**

The labour market comprises the total working environment at local, regional, national or transnational level ... consists of all industry sectors, their personnel requirements and skill

needs, as well as those outside the actual workforce (Baum, 2008). Enhancing welfare by maintaining and improving working conditions consistently is the key to enhance productivity of workers in all forms of labour market. The result of Lindner's (1998) study of 25 employees at the Picketon Research and Extension Centre and Enterprise Centre found that good working conditions ranked fifth among top ten factors that motivated employees at work. Apart from improving working conditions, the provision of overall social security benefits such as family benefits, unemployment benefits, medical insurance, and maternity benefits, among others, to workers are also important and their presence contribute to raising labour productivity and curbing social tensions, violent conflicts, and uncontrolled migration (Khanal, 2012). Government, as a key industrial relations actor, can provide a regulatory environment through its laws and policies that can improve working conditions and increase employees' welfare. However, while regulatory environment may provide benefits for workers; it can also pose serious constraints for workers to enjoy those benefits and welfare, and impede them from using their rights. For example, although the regulatory environment created by the government with generous social-safety nets, a favourable tax system, strong unions, and favourable employment legislation among others can improve the welfare of workers, the government employees' attitudes about the workers and their situations can negatively affect the working conditions (Lavigna, 2014). Similarly, if companies decrease employment in response to their increased costs due to tight labour market policies (Harrison & Scorse, 2008), it will eventually result in job loss for many workers.

One option to include the voices of employees is through the consideration of trade unions' presence in the policy making. Such an inclusion can significantly increase the possibility of employees' voices to be incorporated in the government mechanism. In principle, trade unions may engage with the government to make demands for bringing in legislation or they may engage in more lasting forms of accommodation (such as 'corporatism' in the Nordic countries or a series of 'Accords' in Australia) (Edwards, 2003). While trade unions find it useful to exert pressure on the government to formulate policies that are helpful for the workers, their actions are also sometimes affected by state policies (Anyim, Ikemefuna, & Ekwoaba, 2012; Hyman & Gumbrell-McCormick, 2010) that are targeted to influence the overall labour market. For example, the government influences the overall labour market by enacting laws specifically designed to influence trade unions such as union government laws.

An earlier study conducted by Munson and Nanda (1968) in India among politically, industrially, and hierarchically cross-sectioned union leaders from Delhi, Calcutta and Bombay, revealed that the enactment of Section 144 of the Indian Penal Code, dispute settlement mechanisms and other restrictive legislation directed union activities into legal channels and created restrictions on the organisation of direct actions. In addition, occasional arrests and detention of trade union leaders for organising strike actions affected trade union movements (Munson & Nanda, 1968). Similarly, Hyman and Gumbrell-McCormick (2010) have noted that although during the 2008/09 economic crisis in Europe the European governments became the key advocate of the demands put forth by trade unions, they were systematically repressed in the early stage of union formation, which actually became the cause of state being the target of collective action from trade unions in most southern European countries. The key for improving employees' welfare is, therefore, to include voices of those who will be directly affected by the policies and prevailing practices designed by the

government. Although extremely important, this aspect has been ignored in the current literature. This paper attempts to fill this gap by exploring the views of tourism employees about the current policies and practices of the government and how they influence employees' welfare in Nepal.

### **Employment policies and practices in Nepal**

Nepal is a landlocked sovereign state located in South Asia. The total contribution (direct and indirect) of travel and tourism in the Nepalese employment is above 8 per cent (WTTC, 2018). The majority of the tourism employment is concentrated in hotels and homestays, travel agencies, trekking agencies, rafting agencies, domestic and international airlines, and sports and other recreation agencies such as paragliding, skydiving and ultra-light aircraft services in Nepal (MOCTCA, 2014). Apart from these, employments in the tourism industry are also provided by the companies operating tourist vehicles, restaurants and adventure industries, including bungee jumping (MOCTCA, 2014). Like any other industry, the labour market plays an important role in the development and growth of the tourism industry and has been well documented in several works (Wood, 1997; Riley, Lockwood, Powell-Parry, & Baker, 1998; Riley, Ladkin, & Szivas, 2002; Lucas, 2004).

Even though the government of Nepal had introduced the Nepal Factory and Factory Workers' Act in 1959 to address the labour issues, the first official Labour Act was only promulgated in 1992 (Rimal, n.d.) and was amended in 1998. It aimed at protecting workers' and employees' rights and interests together with providing a number of facilities and safety measures at workplaces (Adhikari & Gautam, n.d.) including in the tourism industry. The Labour Act 1992, thus, provided a variety of clauses for regulating working conditions including types of employment, minimum wages, grade, conduct and punishment among others in relations to workers and employees. The Labour Act 1992 also included a few special provisions for the workers and employees working in special types of enterprises including hotel, travel, trekking, adventure, rafting, and jungle safari. These special provisions were related to the engagement of female workers at work; safety of workers working in rafting and trekking businesses; accidental insurance of workers; payment of field allowances; and, provisions of the first aid (Government of Nepal, 1992). However, the Labour Act 1992 was heavily criticised for its inadequacy in addressing some pressing labour issues including provisions related to social security and hiring-and-firing practices that had caused disputes between the workers and the management in the tourism industry (Aryal, 2012). Upreti, Sharma, Upadhyaya, Ghimire and Bhattarai (2013) presented a number of labour disputes between 2000 and 2011 at different tourism organisations in Nepal and argued that these labour disputes had caused instability in the working environment and posed challenges for the sustainability of the tourism industry. For this reason, the government of Nepal repealed the Labour Act 1992 and enacted the Labour Act 2017 to create a more conducive environment for workers in the country (Nepal Economic Forum, 2018).

The new Labour Act 2017 has included several provisions that aim to reduce informalities and uncertainties and provide safe, secure and better working environment for both employees and employers. For example, the previous labour act was only applicable to entities where there were 10 or more employees; whereas the new Labour Act 2017 is applicable to all entities regardless of number of employees (Nepal Law Commission, 2017). It also provides

provisions for entities that want to hire employees for different terms as per their need as well as recognised the role of interns and trainees. Furthermore, the new labour act has made the provision of outsourcing of works, reduced the probation period by six months, increased the overtime hour to 24, and allowed employees to become eligible for receiving gratuity from the first day of employment. More importantly, the Labour Act 2017 includes the provisions for medical and accidental insurances for addressing health and safety issues of employees (Nepal Law Commission, 2017).

Apart from the labour act, the resolution of employment and work-related disputes in Nepal is also governed by the various ILO conventions that Nepal has ratified, and by the Labour Court Rules 1995. Additionally, several other labour laws such as Trade Union Act 1992, Essential Services Maintenance Act 1957, Bonus Act 1974, Industrial Enterprise Act 1992 (now, the new one is Industrial Enterprise Act-2016) and Children's Act 1995 among others have been promulgated by the government of Nepal to protect workers' rights and conditions in Nepal (Rimal, n.d.).

The Labour Court is a special court in Nepal that resolves labour disputes (Khadka, 2012). In addition to the Labour Court, the Supreme Court also resolves labour disputes in Nepal (Khadka, 2012). However, for the past several years, the judiciary has often been mired in controversy about its hearings and decisions (Dahal, 2014). Similarly, it is widely suspected that corruption is endemic in the Nepalese government including its judiciary and allegedly frequent payoffs are made to judges for favourable rulings (Freedom House, 2015).

The workers' situation in various industries including tourism is particularly challenging as a large number of workers, as much as 90 per cent of the total workforce, operate in informal sectors such as farms, trading, crafts business, and transportation among others (Khanal, 2012). Although the government of Nepal has expressed its commitment to expand safety nets and social protection coverage for these workers through the new Labour Act 2017, they have typically been deprived of social protection benefits such as universal family benefits, social assistance, and social insurance. Even though most of the policies and programmes are announced with good intentions during the budget speech, the resultant scattered schemes are riddled with difficulties related to accountability and implementation (Khanal, 2012). The Government of Nepal has revised the minimum wage repeatedly (the most recently in July 2018) and provides for the social security of workers, they are applicable only in the formal sector (Nepal Economic Forum, 2018). The situation is even worse in the private sector where the employers are not willing to provide any kind of health benefits to the workers. They also seek to avoid permanent employees as much as possible in order to escape the perceived additional burden of social security expenditure (Khanal, 2012).

The Social Security Fund generated by levying one per cent tax on the salary of government and the non-government employee is one of the various legal arrangements made by the government of Nepal to provide social security to the workers (Khanal, 2012). This fund runs various schemes that provide insurances for unemployment, employment accident, sickness, maternity, dependant, disability, elderly or old age, medical treatment and, family. Despite the accumulation of a huge fund, it is yet to be put into operation and so has been strongly criticised by workers (Khanal, 2012).

### **III. RESEARCH METHODS**

This qualitative paper draws on semi-structured interviews conducted with 22 hotel and airline employees from April 2015 to February 2016 in Kathmandu, Nepal. To obtain recent information on the topic and the corresponding views of participants, 7 participants were interviewed through Skype between August 2018 and February 2019. Stake (1995) recommends that the decision related to the choice of methodology (qualitative or quantitative) should be made, apart from others, by distinguishing the explanation and understanding of the purpose of the inquiry and the knowledge that is discovered and constructed. Fitchie (2003) has noted the power of individual interviews in examining subjective phenomena by emphasising that they are 'particularly well suited to research that requires an understanding of deeply rooted or delicate phenomena or responses to complex systems, processes or experiences' (p. 38). This research aimed at focusing on the examination of the research participants' views on what and how they felt about the existing policies and practices of the regulatory environment in the tourism industry in Nepal, and therefore, required a close investigation through in-depth qualitative interviews with the participants. A total of 22 participants were the hotels employees and the remaining 7 were airlines workers. The number of participants taken from the airline is smaller because of proportionally lesser number of airline companies in Nepal. The workers interviewed during the study were engaged in hotels and airlines for a period from 4 to 25 years. Amongst the sample, 13 workers had experienced disputes with the management and five of them had resorted to a judicial settlement of their disputes.

The workers were selected using convenience and snowball sampling methods. The convenience sampling method was used to recruit the first participants to begin data collection.

Once the process began, the researcher extensively used snowball sampling as a dominant method for participant recruitment and data collection. Researchers (Lee, 1993; Saunders, 2012) have suggested using snowball sampling as the primary method of recruitment when a member of a homogenous group of population can help to identify another participant. Appendix 1 presents a brief sketch of the participants' profile. Interviews lasted between 30 minutes and 1.5 hours. The interviews were conducted in Nepali which was later translated and transcribed verbatim into English. Later, the interviews were coded using a three-stage coding process following a grounded theory approach—initial, focused, and theoretical. While a constant comparative method was used to analyse the data, the researcher's self-reflective memos (Strauss & Corbin, 1990) aided in integrating contexts with subsequent analyses.

### **IV. DATA ANALYSIS AND DISCUSSION**

#### ***Efficiency of labour law***

There has been a significant change in the employee attitude towards the efficiency of the labour law in Nepal. A significant majority of participants, who were interviewed in 2015 and 2018, expressed a strong dissatisfaction for the Labour Act 1992 and stated that it was inefficient as it provided security only to those workers that were employed in an enterprise having 10 or more employees. After the enactment of the Labour Act 2017, there has been a surge of hope and expectation as the new law is applicable to all entities regardless of the number of employees. Such hope and expectations were expressed by employees

interviewed in 2018 and 2019. However, despite hope and expectations, most employees were critical about the effective implementation of the new labour act, particularly in the tourism and hospitality industry where a significant majority of workers work in the informal sector and that may fall beyond the coverage of the new labour law.

Sketching a rough estimation, one male hotel employee said:

*I assume there are 9.6 million people working in informal sectors all over Nepal. That also includes those in tourism industry. Within the tourism industry, so many of them are working in informal sectors such as tea stalls, small restaurants, and souvenir shops for tourists, and as domestic helpers for those tourists who live in apartments and so on. How will they be covered by the existing labour act?*

One of the biggest problems in the prevailing Labour Act 2017 — as many participants pointed out— is its failure to address the inadequate provisions related to the basic salary and allowances. It has posed difficulty particularly to the workers in the airlines industry where the proportion of basic salary to their total salary was smaller, and a large part of their income came from allowances such as food, accommodation and clothing. The participants said that because the additional benefits in income such as overtime payments were usually calculated from the employees' basic salary, their (employees') additional income was lower compared to the efforts they put on the extra work. As a result, the employees were less motivated to work additional hours for the betterment of the company. One female participant employed in an airline recounted:

*The main problem with private sector airlines is that the basic salary is very low and the allowances are high. And, it has adversely affected the income level of the workers here. For example, my salary is 18,000 rupees per month. If you consider a month means 30 days and working per day means 8 hours of working, then, on average, I earn 75 rupees per hour. Now out of my 18,000 rupees, 10,400 is the basic salary and remaining 7600 rupees comes from the allowances such as accommodation and clothing. When the airline asks me to work overtime, they pay me 1.5 times of my wage rate which is according to the Labour Act 1992. The problem is they pay me 1.5 times the basic salary and not the total salary. If calculated from the basic salary, my hourly wage rate is then 44 rupees. The labour law does not spell out whether the payment should be made from the basic salary or from the total salary. So, for every extra hour I work, I earn only 44 plus 22 rupees. That means I earn Rs. 66 per hour from my extra work which is less than my ordinary wage rate. Why would I work overtime then? There is no motivation for me (P8).*

Many participants noted that the then Labour Act 1992 had a provision which required that workers should be made permanent after working continuously for 240 days in a year. The participants argued that despite such a clear provision of the number of days, many employers interpreted 240 days of continuous working in a single year as working for a year, so the employees were made permanent only after one year even though they should have been made permanent in eight months. After the enactment of the Labour Act 2017, as the participants believed, such a confusion would no longer exist as the new labour act clearly defines that an employee should be made permanent after successful completion of a six-months' probation period.

However, some participants also expressed concerns about inadequate provisions in the Labour Act 2017 related to hiring trainees. They noted that the prevailing act allows employers to provide employment to trainees for a year, and after the completion of a year, the employers are not bound to continue the trainee's employment. Since tourism and hospitality industry hires numerous employees as trainees, some participants suspected that the provision in the new labour act may only promote a temporary employment system in the industry.

Despite some difficulties and suspicions, the participant interviewees were hopeful that the new labour act would be able to promote welfare of the employees and develop mutually beneficial industrial relations in the tourism and hospitality industry in Nepal.

#### **Government's attitude towards tourism labour**

Several participants stressed that workers' issues in the tourism industry has been in shadows because the government is less concerned about them. They opined that the government was not doing anything to encourage employers to accept their employees, especially those at junior positions, as an integral part of the company. They argued that because many employers in hotels and airlines considered junior workers as outsiders and believed that they did not care for the company, there were disputes between the management and the employees. Some participants also stressed that there was a lack of respect for tourism workers on the part of the government. One female hotel employee put it this way:

*No one cares about us if we die while working on our work site. But if a political party's cadre dies, he is honoured—his body is covered with the national flag. The government does not have any respect for workers (P2).*

Many participants expressed their dissatisfaction with the government's incompetence in using the social security fund for employees that was established a few years back by the government and was co-funded by the contribution from employees' one-per cent tax deductions. Despite huge savings, the government was not utilizing the fund to make investments and provide benefits to employees, they said. A few participants also added that if the government had operated the social security fund, they would at least not have worried about money if they faced an accident or if they fell sick.

Some participants employed in airlines commented that the government lacked in efforts to understand airlines employees' situation and extend cooperation to them. They argued that the government treated airlines jobs as luxury ones and assumed that employees were working in comfortable conditions. As a result, the voices of the airlines' workers were hardly taken into consideration during meetings with government representatives. They also commented that the government was indifferent to workers' issues in the airlines sector because of the fear that the company would pull back its operation in certain sectors and such a withdrawal might affect the government's revenue. The concern was more pronounced in international airlines. One participant employed in an international airline company narrated this way:

*We once had a negotiation with the management in the presence of officials from the Labour Ministry. Instead of listening to us, the Labour Ministry secretary warned us not to give pressure to the senior management. He was fearful that the [name of the international airlines] may pull back its Nepal flights and operations (P10).*



The impact of the indifferent nature of the government towards the tourism employees was evident in the way participants perceived government employees. Some participants believed that government employees were less accountable for their work in relation to regulating and monitoring the operations of hotel and airlines and suspected them of being corrupt. As the following male hotel employee said:

*I have realized that the many government employees are not accountable for their work. For example, I have seen that a tax officer sometimes visits our hotel. But, as soon as he enters the hotel, he is taken care of, provided with good food and drinks. Maybe he receives some economic benefits too. He does not even check anything. He simply sits in the restaurant and chats with our F & B manager. Then he goes away and does not return for a year or two (P11).*

For several participants, seeking legal ways to resolve their issues was not a possibility because they suspected rampant corruption in the judicial system as well. However, some participants had indeed sought justice through the labour court. Their experiences are discussed in the next section.

#### **Judicial process and system**

Most participants believed that the judicial system in the country took too much time to provide justice to employees. Such a time-consuming process disincentivised employees from seeking legal help. One hotel female employee remarked:

*It took almost one and a half year for the Labour court to give its verdict to reinstate a worker who was fired by the management for damaging properties in our hotel. Now this person was a union member, and he was economically supported by his family. He also knew some people in the political party. So, he could get justice. But it's really difficult for many people to take on a case with such a strong willpower and determination. People have their family to support. So, they give up halfway through the process and probably never go back to court again (P18).*

Some participants believed that sometimes even if the Labour Court served justice, it was ineffective because it took so much time in giving its verdict. Reflecting on personal experiences, one male participant, who was previously employed in a casino that closed down after a labour dispute, put it this way:

*After the casino was closed, we approached the court [Labour Court]. We had not been paid our salaries for more than eight months. So, we filed a case against the owner. The court [Labour Court] gave its verdict in our favour but it took almost a year to give its verdict. By then, the owner of the casino had already fled the country. Until now, we have not been paid our remaining salaries. So, what is the use of such a justice system when it cannot be effective? (P16).*

The participants suggested that the labour court needed to be more efficient in handling employees' disputes. They believed that by efficiently handling labour disputes, the labour court would not only gain the confidence of workers, but its verdicts would also be effective.

#### **V. CONCLUSION**

The aim of this paper was to explore employees' perception of the regulatory environment in the tourism industry. Semi-structured interviews administered on 29 participants working in

hotels and airlines in Kathmandu revealed three key aspects in the regulatory environment that may affect employees' welfare in Nepal— efficiency of labour law, government's attitude towards tourism labour, and judicial process and system.

Although most employees expressed happiness with the provisions in the new Labour Act 2017 of Nepal (against the previous Labour Act 1992), because a vast majority of workers are working in informal enterprises in the tourism and hospitality industry and a significant number of them will be deprived of legal protections in case a dispute arises with the management, there was an air of scepticism about the effective implementation of those provisions in the new labour act. Furthermore, there is a lack of clarity on the provisions relating to the basic salary and allowances in the prevailing labour laws. It often contributes to the lack of motivation for the employees to work additional hours for the betterment of the company. Working extra hours could be a huge income boost and, therefore, welfare boost for workers. However, such opportunities may erode due to lack of motivations for working extra hours. The problem can be more pronounced in private sector airlines where workers' basic salary is low and the allowances are higher.

To some extent, an inexplicit wording in the previous Labour Act 1992 regarding the computation of the period of work has been resolved with the new provision of six-month probation period in the new Labour Act 2017. However, some participants were critical about the possible promotion of temporary employment system through the increased use of trainees. The airline employees face a distinct challenge as they believe that the prevailing labour act has been designed keeping the context of manufacturing industry workers in mind and is not adequately suitable for the airline sector.

Another factor adversely influencing tourism employees' welfare in Nepal is the indifferent attitude of the government towards the workers pushing workers' issues to the shadows. The junior level tourism employees particularly worry about the government's inability to encourage employers and make the employers accept workers as a part of their companies. Employees' dissatisfaction has resulted from the lacklustre attitude of the government in implementing the social security fund established a few years back by the government "for the workers." The airline employees worried because of the government's indifference in addressing their labour problem. They believe that their job is considered luxurious by the government officials who are unwilling to consider their views during meetings. As a result, they feel that the government is particularly biased against tourism industry employees. Furthermore, what adds woes to tourism-employees is the time-consuming judicial process and system in the country that has disincenitized workers to seek judicial help when needed.

The present study demonstrates the vulnerability of working conditions in the labour market of the tourism industry that has arisen due to unclear laws and indifferent attitudes of the government as is often noted by several studies (Cooper & Ruhanen, 2009; ILO 2003; Wood & Pedler, 1978). Congruent with the Edwards (2003), this study shows that the government can influence employment relationships directly through laws on wages and working conditions. Importantly, this study has sought to show how deficiencies in the prevailing laws pose challenges to workers, particularly sub-sectors of the tourism industry such as airline where the nature of work is different from the other industries like manufacturing. This study also exhibits how the lacklustre attitude of the government in implementing its own decisions—

so common in many developing countries— can exacerbate the vulnerability of the workers' situation and increases their fear. The study raises an important issue that the regulatory bodies in the developing countries may regularly need to reevaluate the regulatory environment created by their own laws and system to ensure that such provisions and laws truly reflect the welfare of workers, improve their working conditions, and protect their rights. At the same time, the findings of this study also raise the issue of social securities from the workers perspective. Therefore, future research on how social security schemes can contribute to better workers' conditions can provide useful insights for the policy makers, managers, workers and the researchers alike.

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**Appendix 1**

**Profile of participants**

Participants (P)	Gender	Age range (Years)	Employment	Position	Years of experience
1	Male	35-40	Airline	Officer	12
2	Male	40-45	Hotel	Sr. Officer	8
3	Female	30-35	Hotel	Asst. Manager	9
4	Male	45-50	Airline	Asst. Manager	10
5	Male	50-55	Hotel	Manager	25
6	Male	40-45	Hotel	Asst. Manager	10
7	Male	30-35	Airline	Officer	7
8	Female	25-30	Airline	Assistant	10
9	Male	30-35	Hotel	Asst. Manager	3
10	Male	50-55	Airline	Asst. Director	12
11	Male	45-50	Hotel	Manager	26
12	Male	45-50	Airline	Manager	30
13	Female	30-35	Hotel	Manager	12
14	Male	45-50	Hotel	Asst. Manager	19
15	Female	25-30	Hotel	Assistant	6
16	Male	45-50	Hotel	Head of Department	14
17	Female	25-30	Hotel	Assistant	12
18	Female	30-35	Hotel	Sr. Assistant	6
19	Male	50-55	Airline	Deputy Director	13
20	Male	40-45	Hotel	Manager	10
21	Male	50-55	Hotel	Deputy Director	21
22	Male	40-45	Hotel	Manager	15
23	Female	30-35	Hotel	Asst. Manager	8
24	Female	25-30	Hotel	Assistant	7
25	Male	45-50	Hotel	Manager	30
26	Male	30-35	Hotel	Asst. Manager	12
27	Male	40-45	Hotel	Deputy Director	18
28	Male	40-45	Hotel	Manager	21
29	Female	25-30	Hotel	Asst. Manager	15

Note: From author's surveys.