

# **Trade Unions in Namibia:** *Defining a new role?*

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## Acknowledgements

In 2003, the Friedrich Ebert Stiftung (FES) initiated country case studies on the labour movement in Africa. These studies covered all African states in which the foundation has an office. In Namibia, the trade union study was carried out by the Labour Resource and Research Institute (LaRRI).

As there are only few recent publications on the Namibian labour movement, the FES office in Windhoek decided that the Namibian paper should be published as a booklet on its own. It is meant to provide an overview of the Namibian trade unions, of the environment in which they have to operate and of the challenges they currently face.

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## Abbreviations

BAWON	Bank Workers Union of Namibia
CBS	Central Bureau of Statistics
CCN	Council of Churches in Namibia
CDM	Consolidated Diamond Mine
CEC	Central Executive Committee
CEO	Chief Executive Officer
CIF	Construction Industries Federation of Namibia
COSATU	Congress of South African Trade Unions
CTUC	Commonwealth Trade Union Council
DOAWTU	Democratic Organisation of African Workers Trade Unions
EEC	Employment Equity Commission
EPZ	Export Processing Zone
FES	Friedrich Ebert Stiftung
GSSA	Government Service Staff Association
GUF	Global Union Federation
ICFTU	International Confederation of Free Trade Unions
ILO	International Labour Organisation
IMF	International Monetary Fund
JCC	Joint Consultative Committee
LAC	Labour Advisory Council
LaRRI	Labour Resource and Research Institute
LAUN	Local Authority Union of Namibia
LFS	Labour Force Survey
LIH	Labour Investment Holding
MANWU	Metal and Allied Namibian Workers Union
MoL	Ministry of Labour
MUN	Mineworkers Union of Namibia
NABWU	Namibia Building Workers Union
NAFAU	Namibia Food and Allied Workers Union
NAFINU	Namibia Financial Institutions Union
NAFTU	Namibia Federation of Trade Unions
NAFWU	Namibia Farmworkers Union
NAM-MIC	Namibia Mineworkers Investment Company
NANGOF	Namibian Non-Governmental Organisations Forum
NANTU	Namibia National Teachers Union
NAPWU	Namibia Public Workers Union
NASAWU	Namibia Seamen and Allied Workers Union
NATAU	Namibia Transport and Allied Workers Union
NAU	Namibia Agricultural Union
NBWU	Namibia Building Workers Union
NCSTU	Namibia Christian Social Trade Unions
NDAWU	Namibia Domestic and Allied Workers Union
NEC	National Executive Committee
NGO	Non-Governmental Organisation

NNFU	Namibia National Farmers Union
NPC	National Planning Commission
NPSM	Namibia People's Social Movement
NTU	Namibia Telecommunication Union
NUM	National Union of Mineworkers
NUNW	National Union of Namibian Workers
NWRWU	Namibia Wholesale and Retail Workers Union
OATUU	Organisation for African Trade Union Unity
ODC	Offshore Development Company
PEAC	President's Economic Advisory Council
PSI	Public Services International
PSUN	Public Service Union of Namibia
SATUCC	Southern Africa Trade Union Co-ordination Council
SOE	State Owned Enterprise
SWAMU	South West Africa Mineworkers Union
SWAPO	South West Africa People's Organisation of Namibia
TUCNA	Trade Union Congress of Namibia
TUN	Teachers Union of Namibia
UNAM	University of Namibia
WCL	World Confederation of Labour

## Executive Summary

Namibia is characterised by extremely high levels in income inequality and high levels of unemployment - particularly among women and the youth. Wages and salaries are the main source of household incomes, although most rural households rely on subsistence farming.

The majority of Namibian workers fall into the category of unskilled or semi-skilled workers, usually earn relatively low wages and enjoy few benefits. In some sectors, trade unions managed to achieve significant improvement in conditions of employment through collective bargaining.

Unionisation rates are fairly high, particularly in the public sector, the mining industry as well as the fishing, textile, wholesale and retail sectors. Here, unionisation rates stand at above 50%. On the other hand, the small business sector, banking and financial institutions and domestic workers are still poorly organised.

Despite its small population of about 1,9 million people, Namibia has about 30 trade unions, grouped into 2 federations and several un-affiliated unions. The largest trade union federation is the National Union of Namibian Workers (NUNW) which represents 60 000 - 70 000 workers. The NUNW played a key role during Namibia's liberation struggle and continues to be affiliated to the ruling SWAPO party. Unions outside the NUNW rejected this party-political link and formed a new rival federation in 2002, known as the Trade Union Congress of Namibia (TUCNA).

The Namibian labour movement was confronted with various challenges posed by government's neo-liberal economic policies. Various disagreements between labour and the state/employers became visible around the issues of privatisation, the introduction of Export Processing Zones (EPZs) and the emergence of labour hire companies. Overall, trade unions found it difficult to decisively influence such broader socio-economic policies in favour of their constituency.

The Namibian Labour Act of 1992 constituted a major improvement for labour compared to the colonial labour legislation. A new Labour Act will be implemented soon and is expected to pave the way for the improved resolution of industrial conflicts.

Namibia has no national minimum wage but trade unions managed to negotiate minimum wage agreements in the agricultural sector as well as the construction industry. An agreement for the security industry is likely to be finalised soon. Trade unions expect government to pass binding regulations regarding minimum conditions of employment for vulnerable workers such as domestic workers and petrol station attendants.

There are various tripartite bodies such as the Labour Advisory Council on which trade unions are serving. These bodies tend to be advisory in nature and are composed mainly of non-union representatives. This limits labour's power in terms of decision-making. However, trade unions managed to successfully lobby on certain issues such as the granting of full labour rights to workers in the EPZs.

Namibian unions face a host of challenges today. They will have to improve their recruitment strategies to organise workers in the non-traditional sectors (such as the small business sector) and render effective services to their members. Unions also need to ensure functioning structures and accountability to their membership within their own organisation.

Beyond the workplace, unions need to develop effective strategies to influence broader socio-economic policies in favour of workers and the poor in general. This will require the development of labour's own policy proposals and the forging of strategic alliances with other organisations representing the interests of the Namibia's disadvantaged majority.

# 1. The socio-economic environment

Namibia attained its political independence in 1990 after 116 years of German and South African colonial rule. The colonial legacies are still visible today as Namibia is characterised by huge socio-economic inequalities that are largely a reflection of its colonial apartheid history, but also of the class stratification that has taken place since independence. Namibia has relatively limited financial resources in both the government and the private sector to conduct frequent surveys on social-economic developments. However, the Central Bureau of Statistics (CBS) under the National Planning Commission (NPC), the Bank of Namibia as the country's reserve bank, and the Ministry of Labour all conducted several national surveys on which this paper draws. In addition, the Labour Resource and Research Institute (LaRRI) has carried out various studies on trade unions, labour conditions and socio-economic conditions. The findings of these studies are incorporated into this booklet.

Namibia's population of 1,9 million people is relatively young. More than half of the population is less than 20 years of age and more than 40% is less than 15 years old. In 2001, only 33% of the population lived in urban areas compared to a rural population of 67%. These figures are changing steadily due to increasing urbanisation that has taken place since independence.

**Table 1: Age structure of the population (2001)**

Age group	Number of people	Percentage
0 - 4 years	241 230	12.7
5 - 9	246 956	13.0
10 -14	330 288	17.4
15 – 19	202 298	10.7
20 – 24	174 484	9.2
25 – 29	150 786	7.9
30 – 34	118 532	6.2
35 – 39	96 417	5.1
40 – 44	74 051	3.9
45 – 49	57 756	3.0
50 – 54	47 779	2.5
55 – 59	35 209	1.9
60 – 64	34 370	1.8
65 and older	87 817	4.6
Not reported	32 344	1.7
<b>TOTAL</b>	<b>1 897 973</b>	<b>100.0</b>

*Source: Population and Housing Census 2001.*

In 2000, the average Namibian household had 5 members with an average size of 5,6 members in rural areas and 4,2 members in urban areas.

### **Economically active population**

In 2000, 888 009 Namibians were 15 years or older and the Labour Force Survey classified 541 447 people as economically active and 346 157 people as economically inactive. The bulk of those classified as economically inactive were students (52,3%), followed by 'home-makers' (20,8%), retired and old people (18,4%) and those affected by illness and disability (6,9%). The number of economically inactive women (211 718) was significantly higher than the number of men (134 439).

The agricultural sector was the largest sector in terms of employment in Namibia, accounting for 123 297 (or 28,6%) jobs. It is, however, important to point out that this figure included about 78 000 communal/subsistence farmers, 1 623 commercial agricultural employers and 4 354 'own account' self-employed agricultural workers. There were 26 480 farm workers on private farms and 2 730 workers on public farms. Agriculture accounted for 53% of rural employment.

Other important sectors in terms of employment were community, social and personal services with 47 517 jobs (11,0%); 'real estate, renting and business activities' with 42 128 jobs (9,8%), wholesale and retail and motor vehicle repairs with 39 850 jobs (9,2%); and education with 30 523 jobs (7,1%). On the other hand manufacturing accounted for only 22 921 jobs (5,3 %) which is an indication that this sector was still severely under-developed in Namibia.

**Table 2: Employment by sector (2000)**

<b>Sector</b>	<b>Percentage of employed people</b>
Agriculture	28.6
Wholesale and retail trade, repair of motor vehicles	9.2
Domestic work in private households	5.2
Manufacturing	5.3
Community, social and personal services	11.0
Education	7.1
Public administration, defence, and social security	5.4
Real estate, renting, and business activities	9.8
Construction	5.0
Transport, storage and communication	3.3
Health and social work	3.1
Financial intermediation	0.8
Fishing	1.8
Mining and Quarrying	0.9
Electricity, gas and water supply	1.0
Hotels and restaurants	1.8
Other	0.8

*Source: Labour Force Survey 2000.*

Overall, there were 99 166 employees in the public sector (including parastatals) and 169 437 in the private sector. The total number of employees thus stood at 268 603 in 2000 while there were 22 450 employers outside the agricultural sector and 39 980 'own account workers' (self-employed).

**Table 3: Sectoral trends (1997 - 2000)**

Industry	1997	2000	Change
Agriculture	146 899	126 459	-13.9%
Fishing	6 771	7 800	15.2%
Mining & Quarrying	6 592	3 868	- 41.3%
Manufacturing	25 983	22 922	- 11.8%
Elect, gas & water supply	4 576	4 193	- 8.4%
Construction	19 801	21 788	10%
Wholesale & retail trade, repair of motor vehicle	33 815	38 902	15%
Hotels and restaurants	2 988	7 677	157%
Transport, storage & communication	134 80	14 308	6%
Financial intermediation	7 817	4 933	- 36.9%
Real estate, renting and business activities	20 244	39 318	94%
Public administration, Defence and social security	22 029	24 419	10.9%
Education	24 023	30 538	27%
Health & social work	10 922	13 135	20.3%
Other community, social & personal services	24 518	46 289	88.8%
Private households with employed persons	28 547	22 209	- 22%
Extra-territorial organisations & bodies	229	327	42.8%

Source: Labour Force Survey 1997 & 2000

Table 3 shows significant changes in employment patterns between 1997 and 2000. Some sectors like mining, financial intermediation and domestic work declined significantly in terms of employment. The mining sector, which receives about two-thirds of Namibia's foreign direct investment (FDI), reduced the number of workers by over 40% during the period under review! On the other hand, service sectors like hotels and restaurants, and social services experienced a large increase in terms of employment. Hotels and restaurants more than doubled their number of employees within 3 years.

Overall, the employment patterns in the Namibian economy suggest a shift away from the primary sector (like agriculture and mining) towards the tertiary sector. The manufacturing industries remained fairly stagnant and insignificant in terms of employment despite various government attempts to boost this sector.

### **The importance of wages and salaries**

About half of all Namibian households (48%) relied on 'wages and salaries' as their main source of income. In urban areas, this figure was as high as 76%. These figures indicate the critical importance that wages and salaries have for the survival of Namibian households. This is further emphasised by the fact that 60 % of households in the country (73% in urban areas) lack a secondary source of income.

On the other hand, in some rural regions such as Ohangwena and Omusati, as much as 60-70% of households depend on subsistence farming as their main source of income.

### **Employment and Unemployment**

The Namibian government's unemployment definition is based on three criteria, namely:

- being without work,
- being available for work, and
- seeking work.

The 'strict' definition of unemployment excludes from the ranks of the unemployed those individuals (15-65 years old) who are without jobs and available for work, but who are **not** actively seeking work<sup>1</sup>. The 'broad definition' of unemployment on the other hand regards every person who is 15 - 65 years of age and without work but available for work as being unemployed - whether he/she is looking for work or not. The Labour Force Survey presents unemployment figures for both definitions as follows:

Unemployment in Namibia according to the broad definition stands at 33.8 percent whilst this figure is reduced to 20.2 percent when the strict definition is applied. The Survey suggests a slight decline in unemployment as unemployment was recorded to stand at 34.5% in 1997.

Using the 'strict' definition of unemployment in the context of the Namibian labour market is problematic. The criterion 'actively seeking for work' for classifying the unemployed may not be accurate as many unemployed people may have stopped looking for work - not because they do not want to work, but simply because they may be demoralised and have given up hope of finding a job. Others may not bother to seek work as they witness the fruitless efforts of their friends and relatives. Thus, the criterion of 'not seeking work' tells us very little and may not be a relevant criteria in labour markets that are characterised by mass unemployment.

Using the broad definition of unemployment, the rural unemployment rate stands at 35.9% compared to 31.3% in urban areas. Unemployment also has a gender dimension as the rate is significantly higher among women (39%) than among

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<sup>1</sup> Ministry of Labour 2002

men (28%). Female unemployment remains higher than male irrespective of the definition of unemployment used.

**Table 4: Unemployment - broad definition (2000)**

	Overall percentage	Percentage among women	Percentage among men
Nationally	33.8	39	28.3
Urban Areas	31.3	37.2	25.4
Rural Areas	35.9	40.4	30.8

*Source: Labour Force Survey 2000.*

Unemployment in Namibia affects the youth the most as 67% of those between the ages 15 and 19, and 59% of those between 20 and 24 years of age were unemployed in 2000. On the other hand, the unemployment rate stood at only 11 - 17% for those between 45 and 59 years of age.

Unemployment in Namibia is of a long-term nature, as 32% of the unemployed have been jobless for two years or more. Another 12,6% have been unemployed for 1-2 years while only 4,8% of the unemployed population have been without a job for less than 3 months. There was no significant difference between men and women regarding the duration of unemployment. However, there was a marked difference between urban and rural areas as the unemployed in the rural areas have been out of jobs for much longer compared to those in the urban areas. Long-term unemployment (2 years or more) in rural areas affected 37,6% of the unemployed compared to 27,9% in urban areas.

### **Education levels**

In 2000, about 12% of the population had no formal education at all while 52% attained or completed some level of primary education. Only about 2% of the population reached higher education. Unemployment is related to the levels of education as the bulk of the unemployed (74%) had primary or junior secondary education. Less than 1% of the unemployed had a post secondary education<sup>2</sup>.

### **Unionisation rates**

Accurate statistics on trade union membership rates are difficult to find as only few unions have computerised membership database systems. Most unions rely on their files and on membership fee deduction records of employers to count their members. A trade union survey carried out by the Labour Resource and Research Institute (LaRRI) in 1998-99 revealed a unionisation rate of about 50% among employees in formal sector employment<sup>3</sup>. These figures were updated as far as possible and indications are that the highest levels of unionisation are found in the public sector (75-80%), the mining and energy sectors (83%), the textile industry (67%) and the food, fishing, hospitality, wholesale and retail sectors (65%). On the other hand, unionisation levels are low among domestic

<sup>2</sup> Ministry of Labour 2002b

<sup>3</sup> See LaRRI 1999

workers and in the banking and insurance sectors (see table 5)<sup>4</sup>. Likewise, only about 10% of workers in the small business sector are organised by trade unions<sup>5</sup>.

The Labour Force Survey 2000 put the unionisation rate among workers in the public and private sectors at 32%. This figure is significantly lower than those provided by trade unions themselves and their accuracy would have to be established by examining the trade union membership records. This is very difficult at present as few unions have accurate, computerised membership database systems.<sup>6</sup>

**Table 5: Estimated Unionisation Rates (Based on figures supplied by trade unions)**

SECTOR	APPROXIMATE NUMBER OF EMPLOYEES	ESTIMATED UNIONISATION RATE (signed-up members) <sup>7</sup>
Agriculture	29 200	9 000 (31%)
Manufacturing, Building and Construction	28 900	10 500 (36%)
Mining and Energy	4 800	4 000 (83%)
Food, Fishing, Wholesale, Retail and Hospitality	34 000	22 000 (65%)
Textile	9 000	6 000 (67%)
Public Service, Parastatals and Municipalities (excluding army, police and teachers)	80 000	60 000 (75%)
Teachers	15 000	12 000 (80%)
Domestic Work (private households)	17 900	3 500 (20%)
Banking, Insurance, Real Estate and Business Services	24 000	4 500 (19%)
Transport, communication and Security	12 000	3 000 (25%)
Other	22 700	6 000 (26%)
<b>TOTAL</b>	<b>277 500</b>	<b>140 700 (50,7%)</b>

Sources: LaRRI 1999; Labour Force Survey 1997 & 2000; Updates from trade unions (2004)  
These figures do not include communal farmers and unpaid family labour.

Due to the lack of an accurate database, it is impossible to determine the exact number of women in trade unions. It is estimated that 35-40% of union members

<sup>4</sup> Labour Resource and Research Institute 1999.

<sup>5</sup> See Karuombe 2002.

<sup>6</sup> See Labour Resource and Research Institute 2003.

<sup>7</sup> Signed-up membership refers to the number of workers who applied for union membership and received their membership cards. The number of paid-up members (whose membership fees are received by unions on a monthly basis) is likely to be about 20% lower than the signed-up membership.

are women - roughly in line with women's share in the formal labour market. Women are however, under-represented in decision-making structures although some serve as general secretaries and union presidents.

The largest trade union federation is the National Union of Namibian Workers (NUNW) which has 9 affiliated industrial unions with a combined membership of about 70 000. This federation played an active role in Namibia's liberation struggle and is still affiliated to the South West Africa People's Organisation of Namibia (SWAPO). There are several rival unions outside the NUNW, some of whom formed the Trade Union Congress of Namibia (TUCNA) in 2002. The main reason for the existence of rival unions is the NUNW's link to SWAPO and the prospects for trade union unity are bleak at present. The combined membership of the unions outside the NUNW is about 50 000 and they are strongest in the public sector, the fishing industry and the wholesale and retail sector.

### ***Working conditions***

As mentioned earlier, the vast majority of Namibian workers fall into the category of unskilled and semi-skilled workers. With the exception of a few sectors where strong trade unions managed to negotiate reasonable working conditions (e.g. mining, fishing, and the civil service), these workers usually earn below N\$ 1000 per month<sup>8</sup> (U.S. \$147) and enjoy very few benefits. The only benefits that are compulsory by law are social security payments for workers who work more than two days per week.

The poorest working conditions are experienced by workers at labour brokers, known as labour hire companies. Workers there earn between N\$ 2 and N\$ 5 (U.S.\$ 0.29 - 0.74) per hour without benefits and job security. Wages are also extremely low for domestic and farm workers who often earn cash wages of only N\$ 300-500 per month (U.S.\$ 44-74). Likewise, Namibian textile workers at the Malaysian company Ramatex earn wages of only N\$ 600 - 900 per month (US\$ 88 - 132).<sup>9</sup> Namibia's farm workers union NAFWU managed to reach an agreement with agricultural employers to implement a national minimum wage of N\$ 429 (U.S.\$ 63) per month in addition to food and housing. This national minimum wage came into effect on 1 April 2003.

On the other hand, well-qualified and experienced professionals and managers earn huge salary packages that compare favourably with the best in the world when the costs of living are taken into account. Managers in the civil service earn packages of about N\$ 250,000 - 400,000 per year (U.S. \$ 37 000 - 59 000), while some managers in parastatal companies earn up to three times that amount.

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<sup>8</sup> The Namibia Dollar (N\$) is pegged to the South African Rand and the exchange rate stood at around US \$ 1 - N\$ 6,8 in May 2004.

<sup>9</sup> See Jauch and Shindondola 2003

These enormous differences in payment have created a three-tier labour market: a small elite enjoying a standard of living comparable to first-world countries; a significant group of formal-sector workers with permanent jobs and low to middle incomes; and a growing group of casual, 'informal' and unemployed workers who are the victims of a labour market that virtually forces them to accept any job under any conditions.

### ***Namibia's privatisation programme***<sup>10</sup>

Namibia's slide towards neo-liberal economic policies is reflected *inter alia* in the country's privatisation programme which was implemented since the second half of the 1990s. Thus far, privatisation has taken the form of commercialisation and outsourcing (the privatisation of service provision) although the government also envisages the direct sale of state assets in the near future. Government's key objectives behind the drive to privatise are the downsizing of the public service, the reduction of government's fiscal deficit, improving efficiency and service delivery<sup>11</sup>.

The Namibian government has set up parastatal companies (fully owned by the state as the sole shareholder) with their own boards of directors. These parastatal companies were expected to make a profit or at least recover their expenses. However, many failed to live up to the government's expectation and had to be bailed out repeatedly with public funds. The national airline, Air Namibia, for example received N\$ 350 million (US \$ 37 million) in 2001 to prevent bankruptcy. The management and boards of Air Namibia and TransNamib (transport parastatal) were replaced due to poor performance and incompetence.

Other parastatals (especially those who have a monopoly) achieved better financial results but burdened the consumers with enormous price increases. Namwater (the sole provider of bulk water to municipalities) increased water prices annually by up to 20%. Telecom Namibia (the provider of fixed telephone lines) increased the rates for local calls by 80% and Nampost (the provider of postal services) increased its rates by over 40% in 2001.

Realising the danger of privatisation/commercialisation not only for its members but also for the delivery of affordable services to the poor, Namibia's largest trade union federation, the National Union of Namibian Workers (NUNW) revived its standing committee on economics to focus particularly on this issue. The NUNW prepared a presentation to the Cabinet sub-committee on public sector restructuring and then went to State House (in October 2001) to address the President directly. The NUNW proposed the following:

- ◆ To establish a single controlling board for all State-Owned Enterprises (SOEs) consisting of representatives of all 'social partners' to formulate

<sup>10</sup> See Murray 2000; Jauch and Karuombe 2002

<sup>11</sup> See Murray 2000

policies to regulate SOE's, and to monitor and evaluate service delivery and performance.

- ◆ To broaden the participation of trade unions with regard to representation on or inputs to all government appointed committees dealing with SOEs.
- ◆ To safeguard affordable services for the poor. 'The impact of privatisation on service delivery has been very harsh for the poor. In most cases, the prices of services increase dramatically once SOEs are commercialised/privatised. We have seen that recently with Telecom Namibia which increased local calls by 80%. Namwater increases the water price by 20% each year and Nampost increase its rate by over 40% recently. This means that the services of these companies become unaffordable for the poor.' The NUNW thus proposed tariffs ceilings to be set by the overall controlling board according to the social goals.
- ◆ To improve public health services, to recruit more doctors from friendly countries, to provide training opportunities for Namibians in the field of medicine, and to set up a board controlling the fees private doctors can charge - 'otherwise health care will be the privilege of the few'.
- ◆ To implement the principle of cross-subsidisation from the wealthy to the poor at all SOEs involved in service delivery.
- ◆ To group SOEs into different categories according to the functions they perform and the services they provide. 'This will enable the drafting of guiding policies for each group of SOEs in terms of regulation, performance monitoring and service delivery. This is essential for the controlling board to ensure maximum public benefits from SOEs'.
- ◆ To revise existing SOEs with regard to their assets and functions and to redirect their activities according to public interests. 'The private sector is driven by a profit motive and should only be allowed to participate in SOEs which do not provide essential services and cause continuous losses to the government like Air Namibia. However, safety measures must be put in place for the workers concerned so that they do not become unemployed as a result of poor management'.
- ◆ To review the current management packages at SOEs which are out of proportion and unsustainable. 'Management packages need to be reduced while the management structures need to be streamlined... The packages need to be performance based and in line with the economic realities of our country'.
- ◆ To introduce transparency and accountability as basic principles according to which SOEs have to operate. Salary structures and financial reports of SOEs should be public documents.
- ◆ To avoid falling into the traps set by consultants like those of Deloitte & Touche who believe in the inherent superiority of the private sector over the public sector. 'This view is more ideologically driven than backed by evidence. Deloitte & Touche might also have a vested interest to encourage the Namibian government to privatise SOEs so that some of their clients can buy our national assets'.

- ◆ 'Instead of further reducing the developmental role of the state through privatising SOEs, we propose a thorough investigation to find out how the performance and efficiency of SOEs can be enhanced while retaining them under public ownership. Namibia cannot afford to leave socio-economic development to the market alone and we believe that it is government's responsibility to direct development in favour of the poor'<sup>12</sup>.

These proposals indicate that Namibian unions are not going to take privatisation lying down, although they initially might not have thought through the full implications of commercialisation and outsourcing which are almost the same as in the case of an outright transfer of ownership to the private sector. Opposing and halting the current privatisation initiatives will, however, be an uphill battle. The government's commercialisation policy gives greater decision-making autonomy to company boards and executive management who place commercial interests above social ones. The Namibian government is also supportive of the concepts of outsourcing and public-private partnerships in municipal service provision. This suggests that unions will have to be particularly innovative and proactive in their anti-privatisation campaigns, building a common vision among the different unions, and with other civil society organisations (such as NGOs) whose constituency will also be affected by the consequences of privatisation. These organisations may have to pressurise government not to renege on its fundamental obligations regarding service delivery, particularly of goods and services to satisfy basic needs. It may also mean unions getting more involved in addressing the problems of inefficiency in government, and suggesting alternative ways to reduce Government spending and to increase efficiency in the public sector. After all, privatisation (in all its forms) might create even bigger problems than what it may be able to resolve. In Zambia, for example, the Government and the World Bank presented the privatisation programme as a major success because it reduced the government's budget deficit and brought in foreign investment. However, the programme also had a devastating social impact in terms of growing unemployment and poverty. This sends a warning to Namibia to carefully assess which type of public sector reform will increase efficiency while at the same time safeguarding employment and affordable service delivery for the disadvantaged majority.

Indications are, however, that Namibia is likely to follow the same path as most of its neighbours. A draft bill to regulate the governance and operations of State-Owned Enterprises was circulated among stakeholders and interested parties in September 2003. Once passed in parliament, this law will pave the way for the sale of equity to the private sector as part of SOE restructuring. Trade unions have already raised their concerns regarding the provisions of this bill but it remains doubtful if their influence will be sufficiently strong to convince the Namibian government to change the essence of the bill.

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<sup>12</sup> See NUNW 2001

## 2. Legal Framework and Practice of Labour Relations

Before independence, there was no comprehensive labour legislation in Namibia. Namibia was treated as a fifth province of South Africa and this meant that almost all South African labour laws applied in Namibia. South Africa's Wage and Industrial Conciliation Ordinance of 1952, for example, excluded black workers from the definition of 'employees' and thus prevented them from legally forming or joining trade unions. This Act was amended in 1978 and black workers were allowed for the first time to form and register trade unions. The Conditions of Employment Act of 1986 covered basic conditions of employment but excluded certain categories of workers such as farm and domestic workers.

Two years after independence, the new SWAPO-led government introduced a new Labour Act in 1992 with the aim of consolidating labour-related legislation into a single Act. This law was the outcome of a lengthy process of consultations between government, trade unions and employers. The Act covers all workers in Namibia and provides for trade union registration, basic workers rights, organisational rights, collective agreement registration, settlement of disputes. The Act further provides for the establishment of labour courts, a tripartite Labour Advisory Council (LAC), and the setting up of wage commissions to determine minimum wages in particular sectors. However, the Act made no provision for paid maternity leave and for national minimum wages and instead left wage determination to collective bargaining. To date, minimum wages only exist in 2 sectors:

1. in the construction industry where annual negotiations take place between the Construction Industries Federation of Namibia (CIF) and the Metal and Allied Namibia Workers Union (MANWU)
2. in the agricultural sector where a minimum wage was implemented in April 2003 after an agreement had been reached between the Namibia Farmworkers Union (NAFWU), the Namibia Agricultural Union (NAU), which represents commercial (mostly white) farmers, and the Namibia National Farmers Union (NNFU), which represents communal (black) farmers.

In addition, the Namibia Transport and Allied Workers Union (NATAU) is currently negotiating a national minimum wage for security guards with representatives of the security industry. These negotiations are expected to be concluded in 2004.

Compared with the colonial labour legislation, the Labour Act constitutes a significant improvement for workers and their unions, especially in sectors that are well organised. Workers there enjoy all the fundamental labour and trade union rights and usually improve their conditions of employment through collective bargaining. The situation is different in sectors with low levels of unionisation where collective bargaining hardly takes place. This applies, for example, to domestic workers, petrol attendants and security guards who still suffer under very poor employment conditions.

### ***Collective Bargaining under the Labour Act<sup>13</sup>***

An important component of the Labour Act is the formal collective bargaining framework, which it established. A prerequisite for trade unions and employers' organisations to take advantage of this framework is to register with the Labour Commissioner. It is important to note that the affiliation to any political party or movement of these organisations is not a ground on which they can be refused registration. Once trade unions have been registered, they are accorded certain rights. These include the right:

- to lodge complaints with the Labour Court or District Labour Court
- to seek recognition as an exclusive bargaining agent, to negotiate with an employer and enter into a collective agreement,
- to enter, during reasonable periods and reasonable conditions, employer premises for the purpose of conducting union business or recruiting union members,
- to have union membership fees collected by way of deductions from employees' wages,
- to report disputes to the Labour Commissioner,
- to form a federation of trade unions and to participate in the activities of such federation,
- to affiliate with or participate in the activities of any international workers' organisation, and
- to have workplace union representatives.

Despite these legal provisions, trade unions still experience various problems in their attempts to organise members and to have membership fees deducted. Some unions encounter intimidation of their members at workplaces and refusal by some employers to deduct union membership fees. Others experience delays in concluding recognition agreements and negotiations in bad faith.

The Labour Act sets out obligations that trade unions and employers have to comply with. For example, if an employer or employers' organisation refuses to recognise a trade union as an exclusive bargaining agent, the trade union may appeal to the Labour Court. After a registered trade union has been recognised as an exclusive bargaining agent it may negotiate with an employer or employers' organisation a collective agreement on any terms and conditions of employment and any other matter of mutual interest. In essence, the Labour Court acts as the regulator of the collective bargaining process between trade unions and employers. Furthermore, the Act establishes conciliation mechanisms in the event of disputes between employer and employees in an effort to have strikes and lockouts as mechanisms of last resort.

### ***Registration of Trade Unions and Employers Organisations***

Unions and employers organisations are registered with the Office of the Labour Commissioner. They need to present their constitution which may not be in

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<sup>13</sup> See Jauch and Karuombe 2002

conflict with the fundamental human rights and freedoms enshrined in Chapter 3 of the Namibian constitution or any other Namibian law. The constitution of trade unions and employers' organisations must further state the name and objectives of the organisation, the industries to be covered, the requirements for membership and membership fees, the procedures for appointing or electing officials, the procedures for convening meetings, the powers and duties of office bearers etc<sup>14</sup>.

Registered trade unions and employers' organisations have to keep records of their membership fees collected, and prepare annual statements of income and expenditure which have to be audited by a public accountant. Any changes to the organisation's constitution have to be approved by the Labour Commissioner<sup>15</sup>.

Although these provisions seem cumbersome, they essentially serve to ensure accountability and organisational democracy within trade unions and employers organisations. Thus far, there are no reports of these requirements being used to prevent the registration of trade unions under the Act.

### ***The new Labour Bill (2004)***<sup>16</sup>

Trade unions, government and employers identified several shortcomings of the Labour Act and agreement was reached at the tripartite Labour Advisory Council that a new Labour Bill should be prepared. It is expected to become operational in 2004. Initially, the amendments focussed on improving the dispute resolution system, but as the process unfolded, it became evident that other aspects of the Labour Act, Act No 6 of 1992 also needed attention. Firstly, the current Labour Act of 1992 was drafted in a legal language that made it very difficult to understand for non-lawyers. Consequently, Cabinet instructed the Minister of Labour to redraft the Labour Act into plain language.

The current dispute resolution system has significant weaknesses and is regarded as being adversarial and leading to confrontation instead of conciliation. The system has also shown to be too bureaucratic and legalistic with very slow reaction times. It is not equally accessible to employers and employees and it disadvantages the poor who do not have the means to afford lawyers. Due to its adversarial nature, the system is seen as undermining the process of collective bargaining in good faith and therefore as perpetuating distrust and the 'winner-loser' concept.

Another important concern is that the District Labour Courts have lost credibility due to severe backlogs. This is further compounded by the difficulty in implementing orders and decisions of District Labour Courts. The lack of division of responsibility between court officials and labour inspectors in implementing

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<sup>14</sup> Sections 54 and 55 of the Labour Act No 6, 1992

<sup>15</sup> Ibid, section 61

<sup>16</sup> See Jauch and Karuombe 2002

and enforcing decisions and orders can be blamed for this implementation difficulty. The early involvement of third parties such as lawyers, labour consultants and the police are found to complicate procedures, delay resolutions and provoke violence. The system also lacks the continued presence of mediators and conciliators and is not enabling the tripartite LAC to be directly part of the dispute resolution process. Procedures of dispute resolutions as provided for in the Labour Act, are followed essentially to engage in legal strikes and lockouts. Instead of conducting good faith and serious negotiations with the aim to solve the dispute, these procedures are used as stepping stones to legally strike or lockout. Interim orders given by the Labour Court (on the basis of urgency) are often fuelling conflicts. To make matters worse, parties to a dispute are not notified of urgent applications for interim orders with the Labour Court. Also, the dispute resolution system does not provide for procedures as to how to deal with dispute situations where matters of national interest are at stake. Lastly, the legal framework allows the declaration of essential services only when there is a declared dispute and not beforehand.

The new Labour Bill seeks to address these gaps and shortcomings. However, some trade unions expressed concern that the provisions for compulsory mediation and arbitration may be used to prevent workers from going on a legal strike – or at least to delay such action. Some of the smaller unions also fear that the Bill advantages large unions and may work against the smaller ones.<sup>17</sup>

### ***Other Labour-Related Legislation***

In addition to the Labour Act, Namibia has passed 2 more laws that are especially important for workers. **The Social Security Act of 1994** provides for maternity leave, sick leave and death benefit funds. Maternity leave benefits cover 80% of the woman's salary for 3 months but the maximum amount is currently set at R 2 400 per month. The establishment of a national pension fund is envisaged in the near future but does not exist at present.

The **Affirmative Action (Employment) Act of 1998** places an obligation on employers with 50 or more staff members to redress some of the colonial apartheid inequalities in the workplace. Employers have to develop plans how to increase the recruitment and promotion of people from previously disadvantaged groups ('designated groups') like blacks, women and people with disabilities. The government currently reviews the effectiveness of the Act, as some employers seem to be reluctant to implement its provisions. Trade unions in general support affirmative action and want to play a more active part in the implementation at workplace level. However, some unions regard the implementation of the policy as a failure due to 'sabotage' by employers.<sup>18</sup>

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<sup>17</sup> These views were expressed by Aloysius Yon from TUCNA and Francois Adonis of LAUN on 28 April 2004.

<sup>18</sup> Aloysius Yon op cit.

Despite improved legislation, Namibian unions are faced with the challenge of developing an effective strategy that would influence socio-economic policies in favour of their members. Although, Namibia has not yet taken out loans from the International Monetary Fund (IMF) and the World Bank, the government's economic policies resemble those of structural adjustment programmes. IMF and World Bank advisors have become regular visitors to Namibia and most local economists are trapped in the neo-liberal dogma. The introduction of the Export Processing Zones (EPZ) Act in 1995 as well as government's privatisation programmes since the late 1990s have shown that Namibia's development path follows the same lines as other African countries.

Unions were not consulted in the enactment of the **Export Processing Zones Act of 1995** which initially stated that the Labour Act of 1992 would not apply in EPZs. After the NUNW threatened to challenge this Act in court, a compromise was reached between government and the union federation which stated that the Labour Act would apply in EPZs but without the right to strike or lock-out for a period of 5 years. Since 2001, the Labour Act applies fully in EPZs but workers still experience poor working conditions at many EPZ companies.

### ***ILO Conventions***

After independence, Namibia ratified almost all the core ILO conventions with the exception of Convention No. 100 on equal remuneration. The Namibian Government argues that some national laws are not yet in compliance with this convention and will have to be amended first before Convention 100 can be ratified. The provisions for payment during maternity leave, for example, currently state that women only receive 80% of their salaries which is a violation of the equal remuneration principle. This will change once the new Labour Bill comes into effect.

The Namibian Constitution and the Labour Act protect all children from any form of economic exploitation and any activity that prevents children from being educated. The laws state that no child under 14 years may be employed for any purpose, that no child under 15 years may be employed in mines or industrial undertaking, and that no child under 16 years may be employed underground in any mine. Despite these legal provisions, child labour occurs in Namibia, mostly due to poverty. A national child labour survey found that 16,3% of all children between 6 and 18 years were working. They were found mostly in rural areas (95,4%) and child labour exists among both sexes (affecting 17,2% of boys and 15,4% of girls). Most of the working children are found in agriculture and combine work with schooling (80%).<sup>19</sup> Child labour will thus only be abolished if the underlying poverty of households is addressed.

### ***Tripartism and Social Dialogue***

Besides the LAC, trade unions are represented on several other bodies and structures like the President's Economic Advisory Council (PEAC), the National

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<sup>19</sup> See Republic of Namibia 2000

Planning Commission (NPC), and the Employment Equity Commission (EEC). Union influence on these bodies is limited as they only account for a minority of members and have to convince others in order to influence decisions. However, these bodies provide trade unions with a platform to make their views heard.

An interesting example of how unions used a tripartite structure to advance their interests, is the LAC, the tripartite advisory body to the Minister of Labour. The NUNW utilised this structure to initiate policy debate on two issues that had a negative impact on Namibian workers: labour hire companies and export processing zones.

Labour hire companies have become an increasingly common phenomenon over the past couple of years in several towns of Namibia, notably, Windhoek, Walvis Bay, Arandis and Otjiwarongo. These companies are labour brokers recruiting workers and subsequently hiring them out to companies for a specific period of time and at agreed rates. The period of work ranges from a few hours to days, several months or even a year and longer. Labour hire companies usually do not offer specialised services but only supply casual labour on a part time basis. Due to the exploitative nature of labour hire companies, workers do not enjoy job security and benefits. Employers hire workers from labour hire companies for a specific period of time, only pay an hourly rate per worker and are no longer bound by collective bargaining agreements which usually cover permanent workers only. The employment contract between employers and workers is replaced by a commercial contract between the labour hire companies and employers.

Having taken note of this problem, the NUNW commissioned the Labour Resource and Research Institute (LaRRI) to undertake a study on the Export Processing Zones and Labour Hire Companies. During the LAC meeting of November 1999, the NUNW tabled the draft report. After discussion, the LAC 'expressed its concern over the exploitation of workers and the denial of their rights to collective bargaining and other employment benefits by the labour practices of these companies...The draft report (amongst other) revealed that companies found a specific niche in the Namibian labour market and effectively utilised the loopholes in the Labour Act to serve their clients'. The LAC unanimously endorsed the LaRRI report 'calling for new regulations to be enacted in order to regulate the operations of the labour hire services with the aim to protect casual workers and to include this form of labour in the basic conditions of employment'<sup>20</sup>. The LAC established a tripartite task force to consider and recommend regulations for labour hire companies. The Task Force, *inter alia*, will consider the following:

- ◆ the emergence of labour hire in Namibia,
- ◆ the effects on conditions of employment,
- ◆ the conditions of work at labour hire companies, and

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<sup>20</sup> Ministry of Labour 2000a

- ◆ new regulations for labour hire services<sup>21</sup>.

### ***Export Processing Zones (EPZs)***

Based on the LaRRI report, the LAC also considered the effects of EPZs on the workers and the Namibian economy. The primary purpose for establishing EPZ was:

- ◆ to attract, promote or increase the manufacturing of export goods,
- ◆ to create or increase industrial employment,
- ◆ to create or expand export earnings,
- ◆ to create or expand industrial investment, including foreign investment, and
- ◆ to encourage technology transfer and the development of management and labour skill<sup>22</sup>.

The LaRRI report prompted the LAC to invite the LaRRI director, the Chief Executive Officer (CEO) of the Offshore Development Company (ODC) and the Investment Centre to a panel discussion. The CEOs were asked to provide background information on the role of their organisations and companies in the realisation of the EPZs aims and objectives and how this affects labour and employment conditions. Both presentations and the LaRRI report were carefully considered by the LAC. 'It was however felt that the EPZs did not fulfil their aims and objectives with regard to creating 25 000 jobs within the first five years, increasing the amount of manufactured goods produced, expanding industrial development and assisting in the transfer of skills and technology in the zones'<sup>23</sup> The LAC also raised concern with the clause in the EPZ Act, which suspended strikes and lockouts in the EPZs. This was viewed to be in direct contravention of International Labour Standards, particularly the Freedom of Association Convention (No.87), which Namibia had ratified. The Council further agreed to recommend to the Minister of Labour to advise Parliament not to re-enact the clause in the EPZ Act which prohibited strikes and lockouts in EPZs<sup>24</sup>. The Council also resolved to establish a tripartite task force to evaluate the general impact of EPZ operations in Namibia and advise the Council accordingly.

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<sup>21</sup> Ibid.

<sup>22</sup> See Endresen and Jauch 2000

<sup>23</sup> Ministry of Labour 2000a

<sup>24</sup> Ibid.

### 3. Trade Union Profiles

Namibia's oldest and largest trade union federation is the **National Union of Namibian Workers (NUNW)**. Its history is closely linked to that of SWAPO and its origins can be traced back to SWAPO's consultative congress in Tanga, Tanzania in 1969-70. This congress decided to establish several new departments, including a department of labour. Although the congress documents did not mention the formation of trade unions, a decision to establish the NUNW in exile was taken on 24 April 1970. Solomon Mifima was SWAPO's first secretary of labour from 1972–76. In 1976, he was accused of being a South African spy, arrested and replaced by John ya Otto who then represented Namibian workers at international forums like the International Labour Organisation (ILO) and the Organisation for African Trade union Unity (OATUU). The work in exile focused on education as SWAPO started to train trade unionists under the name of NUNW<sup>25</sup>.

In 1979 the NUNW set up its headquarters in Luanda, Angola, under the leadership of ya Otto who served as SWAPO secretary for labour and NUNW secretary general at the same time. Ya Otto prepared an NUNW constitution for adoption by SWAPO's National Executive Committee but it was never approved. Some party leaders even responded negatively to the union initiative fearing a strong and independent labour movement after independence<sup>26</sup>.

At that time, the NUNW did not have its own social base inside the country and merely operated as the workers' wing of SWAPO. For Namibian workers inside the country, the workers' struggle was intertwined with the struggle against racial discrimination and colonial occupation. The struggle against the contract labour system that culminated in the general strike of 1971-72, for example, highlighted the link between economics and politics. It was as much a struggle against the contract labour system as it was a struggle against colonialism.<sup>27</sup> The class struggle waged by workers was seen as one and the same as the liberation struggle of SWAPO. However, as Mbuende pointed out, 'the level of political consciousness of the African working class is determined, among other things, by the type of industry in which they are employed and by the nature of the wider urban environment in which they live'.<sup>28</sup> Political and class consciousness thus was highest in places where workers were concentrated in hostels which extended their interdependence beyond the point of production. This explains why the first and strongest unions emerged in the mining and fishing industries.

Most of Namibia's trade unions were established inside the country since the mid-1980s. Although several attempts to form unions had been made before, they were suppressed by the colonial regime time and again. However, the

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<sup>25</sup> See Peltola 1995

<sup>26</sup> Ibid.

<sup>27</sup> Mbuende 1986

<sup>28</sup> Ibid.

earlier efforts laid the foundation for the later emergence of the NUNW and its affiliates<sup>29</sup>. Community organising surged inside Namibia from 1984 onwards, focusing on the crisis in housing, employment, health, education and social welfare. In the absence of trade unions, workers began to take their workplace problems to social workers at the Roman Catholic Church and the Council of Churches in Namibia (CCN). At that time, the umbrella of the churches provided political activists with a shield under which they could start organising workers. Unlike trade unions, which had been crushed by the colonial state, churches were able to operate across the country. By 1985, workers and community activists had formed a Workers Action Committee in Katutura which became the forerunner of trade unions<sup>30</sup>.

At the same time, South Africa's National Union of Mineworkers (NUM) began to organise workers at Namibia's Consolidated Diamond Mine (CDM) in Oranjemund and at the Rossing mine in Arandis. They linked up with the Workers Action Committee and formed the Rossing Mineworkers Union in April 1986. This union later became the Mineworkers Union of Namibia (MUN). The MUN and other NUNW affiliated unions provided workers with an organisational vehicle through which they could take up workplace grievances as well as broader political issues, which were always seen as linked to the economic struggle.

Another factor, which contributed to the emergence of trade unions inside Namibia, was the release of Namibian political prisoners from 1984 onwards. Some returned to Windhoek and began working for the SWAPO structures again. A decision was taken to reactivate the NUNW inside Namibia and by April 1986 a Workers Steering Committee had been formed. It incorporated the Workers Action Committee and all other efforts to organise workers around the country. Fieldworkers began organising different workplaces and in September 1986, the NUNW's first industrial union was launched: the Namibia Food and Allied Workers Union (NAFAU), led by John Pandeni, one of the former Robben Island prisoners<sup>31</sup>. Shortly afterwards, the Mineworkers Union of Namibia (MUN) was launched, led by another former Robben Island prisoner, Ben Ulenga. In 1987 the Metal and Allied Workers Union (MANWU) and the Namibia Public Workers Union (NAPWU) were launched, followed by the Namibia Transport and Allied Workers Union (NATAU) in June 1988, the Namibia National Teachers Union (NANTU) in March 1989, the Namibia Domestic and Allied Workers Union (NDAWU) in April 1990 and the Namibia Farmworkers Union (NAFWU) in May 1994.<sup>32</sup> In 2000, the Namibia Financial Institutions Union (NAFINU) was launched as the first NUNW union catering for white-collar workers, followed by the Namibia Music Industry Union (NAMIU) in 2002. These unions constitute the affiliates of the NUNW today.

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<sup>29</sup> See Bauer 1997 and Peltola 1995

<sup>30</sup> Bauer 1997

<sup>31</sup> Ibid.

<sup>32</sup> See LaRRI 1999

The exiled and internal wings of the NUNW were merged during a consolidation congress, which was held in Windhoek in 1989. At that time the NUNW unions inside Namibia had already established themselves and were a formidable force among grassroots organisations. They enjoyed huge support even beyond their membership and played a critical role in ensuring SWAPO's victory in the elections of 1989.

### ***Continued political affiliation***<sup>33</sup>

The NUNW maintained the links with SWAPO after independence through its affiliation to the ruling party. This link led to heated debates both within and outside the federation. While the majority of NUNW affiliates argued that a continued affiliation would help the federation to influence policies, critics have pointed out that the affiliation would undermine the independence of the labour movement and that it would wipe out prospects for trade union unity in Namibia.

The NUNW's rival trade unions repeatedly stated that they differed fundamentally with the NUNW over the question of political affiliation. They charged that the NUNW could not act independently and play the role of a watchdog over government as long as it was linked to the ruling party. There was also a growing public perception that the NUNW was merely a workers' wing of the ruling party, although the NUNW and its affiliates have on several occasions been the most vocal critics of government policies. They took issue with government around Namibia's huge income inequalities, the slow process of land redistribution and education reform and the self-enrichment by politicians. How can this contradiction be explained?

There are two contradictory trends at work within the NUNW. On the one hand, there is a high level of loyalty and emotional attachment to SWAPO as a liberation movement and 'mother of independence'. This applies to the union membership and leadership alike who understood the liberation struggle as primarily geared towards national liberation. Although there were attempts in the 1980s to link the struggle against colonialism with the struggle against capitalist exploitation, the predominant ideology was that of national liberation. As a result, there was a limited class-consciousness among Namibian workers and even union leaders, which allowed SWAPO to introduce a non-racial but still capitalist social order after independence with little resistance from the labour movement.

On the other hand, the NUNW and its affiliates still experienced high levels of socio-economic inequality and were confronted by dissatisfaction (at shopfloor level) with the slow pace of social change in Namibia since independence. The continued inequalities were reflected not only in the skewed salary structures favouring management in the public service, parastatals and private companies, but also in the highly uneven distribution of national resources. As a result, trade unions called for policies that would eradicate these inequalities such as an

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<sup>33</sup> See Jauch 2002

effective land reform policy and the introduction of minimum wages for vulnerable workers like farm and domestic workers. Trade unions are thus caught in a dilemma of loyalty to the ruling party (which is common among union leaders and workers alike) and dissatisfaction with the slow process of social change. Although few of the unions' demands for redistributive measures were met, the majority of NUNW affiliates still believe that a continued affiliation to SWAPO will be the best vehicle for influencing broader socio-economic policies in favour of workers.

### ***Union structures***

The basic structures of all unions consist firstly of shopstewards in the various workplaces. They are directly elected by the union members and represent their interest at the workplace. Shopstewards form shopsteward councils at their workplaces and are usually elected for a (renewable) 2 years period.

Several unions have branch structures bringing together members in a particular town and/or regional structures operating in a particular region. Members of branch executive committees and regional executive committees are elected by delegates from the various workplaces in the particular town or region. The effectiveness of these structures, however, differs from union to union. In some cases, branch and regional structures have become almost dormant after independence as workers lost interest in attending union meetings.

At national level, congress is the highest decision-making body and meets every 2-5 years. Initially, many unions had annual congresses but found this practice to be too costly and time-consuming. Congress elects the members of the National Executive Committee (NEC) as well as the Central Executive Committee (CEC) which decides on policy matters between congresses and is usually composed of NEC members as well as representatives from branches and regional structures.

### ***Union finances***

Several of Namibia's trade unions have achieved a remarkable degree of financial self-sufficiency since independence. Most finance their core activities through their membership fees. These activities include, for example, running national and regional offices, providing basic training for shop stewards and holding meetings of union structures.

Membership fees are usually set at 1% of the members' income and most unions receive additional financial support for specific programmes (mainly educational) from international trade union organisations with whom they co-operate. In addition, some unions invested in unit trusts or receive group-scheme commissions from insurance companies. Increasingly, unions affiliated to the NUNW also participate in union investment activities through their investment companies like Labour Investment Holding (LIH) or the Namibia Mineworkers Investment Company (NAM-MIC).

Each union affiliated to the NUNW is expected to pay 10% of its income to the federation. The NUNW covers all its own salaries, administrative costs and meeting costs from these affiliation fees. The costs for producing discussion papers, visiting the regions, rallying members (e.g. on May Day) and campaigning nationally and locally are all financed from the federation's own resources.

One of the main supporters of NUNW education activities in Namibia is the Friedrich Ebert Stiftung (FES), which finances most of the federation's workshops for shop stewards and organisers. Regional union activities in Southern Africa are carried out in collaboration with the Southern African Trade Union Co-ordination Council (SATUCC), the Organisation for African Trade Union Unity (OATUU) and the Commonwealth Trade Union Council (CTUC). OATUU, the CTUC and the ILO also sponsor some educational activities.

### ***Unions outside the NUNW***

Several trade unions existed outside the NUNW since pre-independence. Some operated within a racist paradigm such as the white South West Africa Mineworkers Union (SWAMU) or as a 'apolitical' staff associations, for example the Government Service Staff Association (GSSA). Others were opposed to apartheid-colonialism but refused to join the NUNW because of its political link with SWAPO.

Some of the unions outside the NUNW formed their own federation such as the Namibia Christian Social Trade Unions (NCSTU) which affiliated to the World Federation of Labour but not to any political party. In 1992, this federation reconstituted itself as the **Namibia People's Social Movement (NPSM)** to accommodate workers who were not Christians. The NPSM formed an umbrella body for the Namibia Wholesale and Retail Workers Union (NWRWU) as well as the much smaller Namibia Building Workers Union (NBWU), the Bank Workers Union of Namibia (BAWON), the Namibia Fishing Industry and the Namibia Bankers Union<sup>34</sup>. The overall membership of all NPSM unions was about 15 - 20 000.

The NPSM unions financed their operations from membership fees but received some funding for educational activities from outside sources such as the World Confederation of Labour (WCL) and the Democratic Organisation of African Workers Trade Unions (DOWATU).

In 1998, a third trade union federation was formed consisting of the Public Service Union of Namibia (PSUN, the successor of GSSA), the Teachers Union of Namibia (TUN), the Namibia Telecommunication Union (NTU), the Local Authority Union of Namibia (LAUN) and the Namibia Seamen and Allied Workers

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<sup>34</sup> Interview by Ntwala Mwilima with TUCNA general secretary Aloysius Yon, February 2004; LaRRI 1998

Union (NASAWU). This federation became known as the **Namibia Federation of Trade Unions (NAFTU)** and drew the bulk of its membership from the public service. Workers in the manufacturing industries were in the minority. NAFTU's total membership stood at 30 000 - 40 000.

In May 2002, NPSM and NAFTU merged to form a new federation called **Trade Union Congress of Namibia (TUCNA)** which brought together 13 affiliated industrial unions, namely:

1. The Namibia Wholesale and Retail Workers Union
2. The Namibia Building Workers Union
3. The Namibia Bankers Union
4. The Bank Workers Union of Namibia
5. The Namibia Telecommunications Union
6. The Teachers Union of Namibia
7. The Namibia Retail and Allied Workers Union
8. The Namibia Seamen and Allied Workers Union
9. The Namibia Security Guard and Watchmen Union
10. The Namibia Fishing Industries and Fishermen Workers Union
11. The Local Authorities Union of Namibia
12. The Namibia Railways and Harbour Workers Union
13. The Namibia Nurses Union

Their combined membership currently stands at 18 000 - 20 000. This figure is significantly lower than the previous NAFTU membership because the potentially biggest TUCNA affiliate, PSUN (with 25 000 - 28 000 members), has not yet joined the new federation due to disagreements over the composition of TUCNA's leadership. The PSUN demanded the presidency and 15 seats on the national executive committee of TUCNA but this demand was rejected by the other TUCNA affiliates during the launching congress<sup>35</sup>.

TUCNA's membership fees depend on the size of the affiliated unions and range from N\$ 0,18 per member per month for unions with more than 10 000 members to N\$ 1 per member per month for unions with less than 1000 members.

The structures of TUCNA consist of Congress as the highest decision-making body which meets every 4 years. Representation at the congress is determined by the number of paid-up members of TUCNA affiliates. Congress elects 12 office bearers who serve as the TUCNA Executive Committee together with one representative of each affiliated union. The Executive Committee meets every six months. The secretariat is headed by the general secretary and may consist of full-time and part-time members as decided by the Management Committee. The TUCNA draft constitution makes no provision for regional or local structures.

Like the NUNW-affiliated unions, TUCNA and its affiliates cover most of their costs from membership fees. However, the TUCNA general secretary pointed

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<sup>35</sup> Interview with Aloysius Yon, *op. cit.*

out that the federation and its affiliates cannot finance their operations from this source alone. He therefore called on the Namibian government to grant a subsidy to all Namibian trade unions.<sup>36</sup>

TUCNA and its affiliates receive some financial support from friendly organisations overseas with whom they co-operate. At present, TUCNA is not yet registered with the Labour Commissioner's Office and does neither have its own office nor its own staff. The federation relies on staff members of affiliated unions and TUCNA's general secretary also serves as general secretary of three affiliates.

TUCNA is significantly smaller than the NUNW but its formation was justified on the grounds that a union federation with a party political affiliation – like the NUNW – would not be an effective watchdog for workers. However, TUCNA unions seem to be weaker in terms of organisational structures, educational programmes and broader policy debates than some of their counterparts in the NUNW. The TUCNA affiliates as well as the unions that are currently not affiliated to any federation seem to focus predominantly on workplace issues.

### ***Union services and government-union relations***

Namibian trade unions service their members in several ways. In workplaces where they represent the majority of workers, unions negotiate for better wages, benefits and working conditions through collective bargaining. Unions also assist their members with advise on work-related problems and sometimes even on personal issues. Unions also represent their members in disciplinary hearings and in cases of unfair labour practices and dismissals. This includes taking matters to court.

In addition, some unions offer their members financial benefits like funeral schemes or discounts at certain shops. The services rendered vary greatly between unions depending on their organisational and financial capacity.

The Namibian government's chosen role as 'neutral referee' in labour relations meant that unions are expected to address working conditions through collective bargaining. Overall, the Ministry of Labour is sympathetic to workers concerns and is committed to fair working conditions and social dialogue. Although the NUNW is regarded as the principal trade union federation in the country, other unions are also represented on some of the tripartite structures like the Labour Advisory Council. The secretary general of PSUN currently serves on the LAC alongside NUNW representatives<sup>37</sup>.

On the other hand, unions have had limited influence over economic policy issues such as the introduction of EPZs and privatisation. Although unions were

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<sup>36</sup> Aloysius Yon, 28 April 2004

<sup>37</sup> Interview by Ntwala Mwilima with PSUN secretary general Victor Kazonyati, 4 February 2004

consulted on the latter, government decisions tended to ignore the proposals made by labour.

### ***International co-operation***

Most Namibian trade unions have links with the international labour movement, either in the form of a bilateral partnership with sister unions or through affiliation to one or several Global Union Federations (GUFs). With the exception of the Namibia Music Industry Union, all NUNW affiliated unions belong to at least one GUF and usually participate in sub-regional and sometimes even global activities. There are also specific projects that GUFs carry out with and for their affiliates.

At federation level, the NUNW joined the International Confederation of Free Trade Unions (ICFTU) in 1998. The federation is also affiliated to the Southern Africa Trade Union Co-ordination Council (SATUCC), the Organisation for African Trade Union Unity (OATUU) and the Commonwealth Trade Union Council (CTUC). SATUCC engages with policy issues at regional level and also carries out some project-specific activities with its affiliates, e.g. seminars and workshops on issues such as globalisation, gender equality and health and safety. In addition, the NUNW implemented various projects with the support of CTUC, OATUU, the ILO and individual union federations like JILAF from Japan.

TUCNA on the other hand is affiliated to the World Confederation of Labour (WCL) and DOAWTU and also receives support from unions overseas such as the Christian National Union (CNV) in The Netherlands.

## 4. Problems and Prospects

The Namibian labour movement has undergone significant changes during the first decade of Namibia's independence. The NUNW and its affiliates, in particular, had to shift from political mobilisation that dominated the unions' activities in the run-up to the independence elections in 1989, to a process of engagement with government and business under a new tripartite arrangement. In the absence of sufficient internal capacity to develop an alternative development framework that would benefit labour's working class constituency, trade unions by and large accepted to play a more confined role within tripartite arrangements. They now serve on forums like the Labour Advisory Council, the Vocational Training Board and the President's Economic Advisory Council with the aim of influencing policy decisions in favour of workers. Such participation is however, narrowly confined in terms of its scope and offers no possibility for promoting a broader agenda for fundamental change in the socio-economic decision-making process.

Although it can be argued that tripartite participation as a strategic option does not necessarily conflict with the larger goal of bringing about social transformation, collective bargaining and tripartite consultations alone are certainly insufficient to address Namibia's huge socio-economic inequalities. In order to become an engine of social change, trade unions will have to deepen their roots in Namibia's working class constituencies and become the genuine workers voice on issues beyond the workplace. Secondly, the labour movement will need to develop effective strategies for influencing policies, particularly in the economic arena which is dominated by the neo-liberal line of thought.

### ***The ideological onslaught***

Developments after independence were shaped by two dominant ideologies. On the one hand there was (and still is) the ideology of nationalism that was embraced by SWAPO since its inception. At independence, nationalist policies were coupled (in often contradictory ways) with the global onslaught of neo-liberalism. Entangled in the national liberation paradigm and at the same time confronted with a global wave of neo-liberal policies, trade unions found it difficult to clearly identify and articulate the specific needs and aspirations of their working class base. Instead, they were drawn into continuous compromises in the name of the 'national interest' – as defined by government.

### ***Union investments***

The ideological dilemma also became apparent in the debate around union investments and empowerment. Initially – and perhaps naively – unions considered the establishment of investment arms as a means to ensure their financial sustainability. However, the far-reaching ideological consequences and at times open contradictions created by union investments soon began to surface. As unionists started serving on company boards, they had to adjust to business perspectives of profit maximisation, restructuring and cost-cutting

exercises which clashed with traditional union values of socio-economic justice, living wages, security of employment and elimination of inequality. Balancing these contradictions became an impossible task. This was shown clearly by the NUNW's initial acceptance of the Air Namibia privatisation deal, which was then overturned by a decision of the Central Executive Committee. The open contradiction between the unions' policy of opposing privatisation and the negotiations of the NUNW's investment arm on the privatisation of Air Namibia could no longer be reconciled.

Union investments have also exposed the lack of clarity around the concept of empowerment. To some extent, unions fell pray to the ideology of individual empowerment instead of redefining the concept to serve Namibian workers as a social class. Empowerment within the nationalist project is essentially a process of creating a new black (petty) bourgeoisie - a concept fundamentally different from the notion of worker empowerment and worker control.

### ***Lack of accountability***

Another factor leading to the weakening of the labour movement was the erosion of accountability of union leaders towards their members. During the 1980s, many Namibian unions were characterised by a high level of inner-union democracy and accountability. Union leaders at various levels had to obtain mandates from their constituencies and had to report-back regularly. This created a sense of ownership over the unions among workers and ensured that elected leaders articulated the aspirations of their members. As was the case with so many other organisations in Namibia – including Non-Governmental Organisations (NGOs) and political parties – trade unions lost some of their vibrancy after independence. As workers felt that independence was won, union structures became dormant and leaders consulted their members only sporadically. The lack of clear mandates greatly contributed to the contradictions experienced by unions in the past few years. This also contributed to conflicts of interests as the collective interests of workers were at times compromised for the personal ambitions of individual union leaders. While they certainly have the right to make individual decision to enter politics or the private sector, unions need to guard against being used as springboards for personal careers.

### ***A divided labour movement***

Namibian unions are divided largely along political lines, unable to move towards joint action even on issues where their positions are similar, for example on the question of privatisation. It was symptomatic that unions outside the NUNW did not support the NUNW's call for a national march in November 2001, which was meant to express *inter alia* opposition to the privatisation of parastatals. The absence of trade union unity resulted in strong rivalry between unions organising in the same sectors. This is evident in the public sector as well as the fishing, textile, wholesale and retail industries. Such rivalry further erodes labour's power at the workplace as well as in the national arena where unions are unable to present joint positions.

### ***All gloom and doom?***

The current dilemma that the Namibian labour movement is facing was caused by a combination of factors, including organisational weaknesses, a lack of ideological clarity and the absence of a common vision. Unions will have to confront these issues head-on but it must not be forgotten that unions are still among the most significant mass-based organisations in Namibia. With a combined membership of over 100 000 in all sectors of the economy, they have a national presence that few other organisations can match. Unions have structures all over the country and although they are sometimes weak, they can still be used to mobilise members and to ensure that union policies reflect workers' aspirations and interests.

### ***Back to basics***

In a sense, Namibian unions have to return 'back to the basics' by reviving and strengthening their structures and by re-introducing accountability and inner-union democracy. They need to show that they are independent and accountable to their members only. Secondly, unions need to rethink their investment strategies and ensure that their investment arms do not violate and contradict union values and policies. Thirdly, unions need to understand and clearly define their role beyond the workplace. While it is essential that unions are efficient negotiators and able to assist their members in all workplace-related problems, unions also have to articulate workers interests on broader socio-economic issues. As representatives of a specific social class, they need to articulate not only the interests of formal sector workers but also those of other marginalised (and unorganised) groups such as the unemployed and casual workers.

Representing such broader interests effectively requires a vision of a different society based on equality and social justice and a strategy how this can be achieved. Labour will certainly not be alone in this endeavour and a key to success will be the unions' ability to form strategic alliances with other organisations representing marginalised groups. Trade unions will have to revive their tradition of being a social movement if they want to regain the support and respect they enjoyed at the time of independence. An example of a union-community link was the alliance formed between the NUNW, the Namibia NGO Forum (NANGOF) and the (communal) Namibia National Farmers Union (NNFU) around the slow process of land reform. The three organisations presented a joint petition to Government on May Day 1999 demanding a faster and more effective programme of land redistribution.

Namibia's trade unions face two possible scenarios today. Provided they can meet the challenges outlined above and redefine their role as 'struggle organisations' with a specific class base and a strategic agenda, they are likely to play a central role in the fight for socio-economic justice. Failure to seize this opportunity is likely to result in Namibian trade unions gradually losing their

mass base while union leaders are being absorbed with bargaining issues, union investments, party-political careers and tripartite participation without addressing (and challenging) the fundamental socio-economic structures that uphold the continued skewed distribution of wealth and income.

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