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## Foreign Labor Trends: Namibia

### Keywords

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Foreign Labor Trends

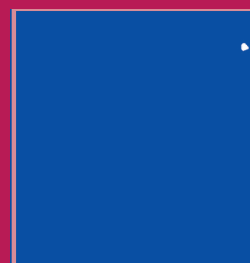
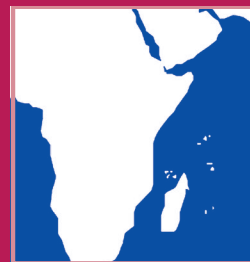
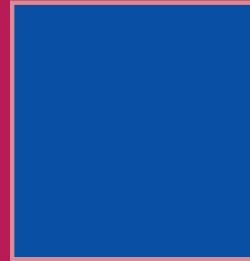
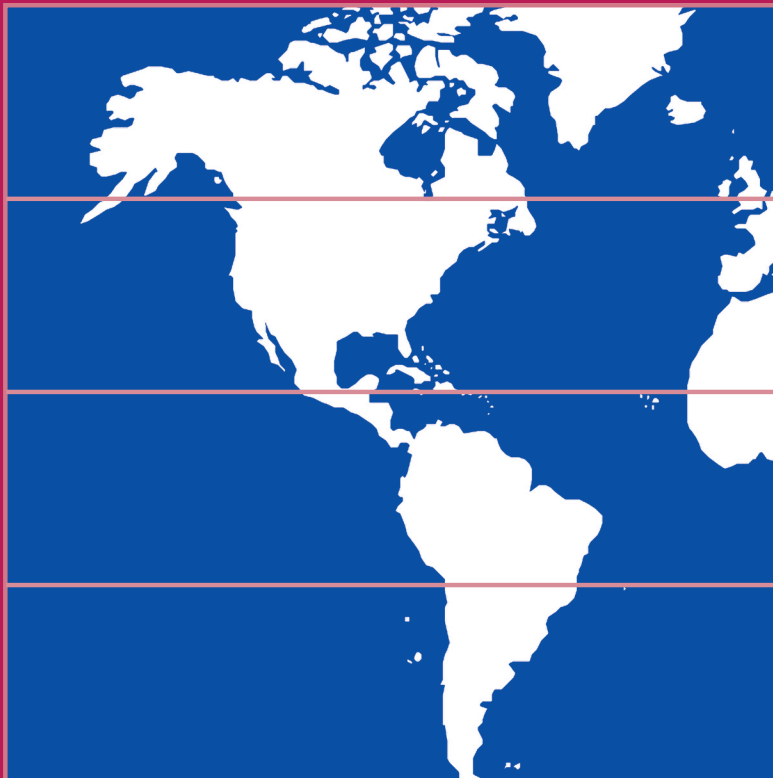
# Foreign Labor Trends

## Namibia



Prepared and Released by  
U.S. Department of Labor  
Bureau of International Labor Affairs  
and U.S. Embassy, Windhoek

2003  
FLT 03-04  
Frequency: Annual



# TABLE OF CONTENTS

	Page
<b>KEY LABOR INDICATORS</b> .....	<b>1</b>
<b>SUMMARY</b> .....	<b>3</b>
<b>BACKGROUND</b> .....	<b>3</b>
<b>DESCRIPTION OF THE LABOR SCENE</b> .....	<b>4</b>
GOVERNMENT .....	4
EMPLOYERS .....	4
TRADE UNIONS .....	5
<b>THE ECONOMY AND LABOR</b> .....	<b>6</b>
<b>FOREIGN INVESTMENT POTENTIAL</b> .....	<b>7</b>
<b>SOCIAL SAFETY NET</b> .....	<b>7</b>
<b>LABOR LAW AND SYSTEM</b> .....	<b>9</b>
<b>LABOR STANDARDS AND WORKER RIGHTS</b> .....	<b>9</b>
THE RIGHT OF ASSOCIATION .....	9
THE RIGHT TO ORGANIZE AND BARGAIN COLLECTIVELY .....	10
PROHIBITION OF FORCED OR COMPULSORY LABOR .....	11
STATUS OF CHILD LABOR PRACTICES AND MINIMUM AGE OF EMPLOYMENT .....	11
DISCRIMINATION IN EMPLOYMENT .....	11
ACCEPTABLE CONDITIONS OF WORK .....	12
TRAFFICKING IN PERSONS .....	13
<b>DIRECTORY OF LABOR ORGANIZATIONS</b> .....	<b>14</b>
<b>KEY SOURCES</b> .....	<b>17</b>

## KEY LABOR INDICATORS

### Namibia 2003

<u>INDICATOR</u>	<u>2001</u>	<u>2002</u>	<u>% CHANGE</u>
	<u>2000</u>	<u>2001</u>	
1. Per capita GDP current prices (US\$) <sup>1</sup>	1,588	1,648	3.8
2. —, in agriculture (%) <sup>2</sup>	n/a	6	~
3. —, in manufacturing (%)	n/a	12	~
4. —, in services (%)	n/a	56	~
5. —, (N\$)	8,095	8,037	-0.7
6. Population, total (millions)	1.8	1.9	5.6
7. —, in major ethnic groups (%) <sup>3</sup>	n/a	n/a	~
8. —, in major urban areas (% , est.)	30.4	30.9	1.6
	<u>2001</u>	<u>2002</u>	
9. Birth rate (per thousand population)	34.71	34.17	-1.6
10. Life expectancy at birth, total	40.62	38.97	-4.1
11. —, male	42.48	40.81	-3.9
12. —, female	38.71	37.07	-4.2
	<u>2001</u>	<u>2002</u>	
13. Adult literacy rate (%) <sup>4</sup>	81.4	83.5	2.6
	<u>1997</u> <sup>5</sup>	<u>1999</u>	
14. Labor force, civilian, total (millions)	0.61	1.0	63.9
15. —, male (%)	50.0	59.1	18.2
16. —, female (%)	50.0	40.9	-18.2
17. —, in informal economy	n/a	n/a	~
18. Employment, civilian, total (millions)	0.40	n/a	~
	<u>1999</u>	<u>2000</u>	
19. —, in industry (%)	25	20	-20.0
20. —, in export processing zones (%)	0.001	n/a	~
21. —, in agriculture (%)	47	47	0.0
22. —, in services (%)	28	33	17.9

<sup>1</sup> Source: U.S. Embassy, Windhoek; also for indicator #5. (Simple exchange rate calculations—not precise).

<sup>2</sup> *Ibid.* Primary GDP activity is 25%, which includes Agriculture (6%), Fishing (6%), Mining (13%); secondary activity is 19%, which includes Manufacturing (12%), Electricity/Water (3%), Construction (4%); and Retail/Services activity is 56%.

<sup>3</sup> The ethnic population is: Black (87.5%), White (6%), and Mixed (6.5%).

<sup>4</sup> This data is from UNESCO and corresponds with the literacy statistic for Namibia from the *World Development Indicators Database*. However, *The World Factbook 2002* (Washington DC: Central Intelligence Agency) cites adult literacy in Namibia at 38%.

<sup>5</sup> From *The Namibia Labor Force Survey 1997*, June 2001 (Ministry of Labor and Central Bureau of Statistics of the National Planning Commission, Windhoek).

## Namibia 2003

<u>INDICATOR</u>	<u>2001</u>	<u>2002</u>	<u>% CHANGE</u>
	<b><u>1999</u></b>	<b><u>2000</u></b>	
23. Unemployment rate (%) <sup>6</sup>	34.5	37.5	8.7
24. Underemployment rate (%)	27	n/a	~
25. Labor productivity, manufacturing (% change)	n/a	n/a	~
26. Work-related accidents and illnesses	4,851	755	-84.4
27. Days lost from industrial disputes	n/a	n/a	~
28. Minimum weekly wage rate (N\$) <sup>7</sup>	n/a	n/a	~
29. —, (US\$)	n/a	n/a	~
30. Average earnings by major industry	n/a	n/a	~
31. Hourly compensation costs for production workers in manufacturing (US\$)	n/a	n/a	~
32. —, (N\$)	n/a	n/a	~
33. Annual compensation costs for laborers (US\$)	<b><u>1997</u></b>	<b><u>1998</u></b>	
34. —, clerical	n/a	26,378	~
35. —, mechanic	42,438	n/a	~
36. —, commercial assistant	n/a	n/a	~
37. Supplementary benefits as % of manufacturing earnings	n/a	n/a	~
38. Average hours worked per week <sup>8</sup>	43.5	n/a	~
		<b><u>2002</u></b>	
39. Unionization of labor (%)	n/a	26	~
40. Average personal income per year (US\$)	n/a	n/a	~
41. Avg. disposable income after taxes and withholding (US\$)	n/a	n/a	~
	<b><u>1997</u></b>	<b><u>1999</u></b>	
42. Percent of population beneath poverty level <sup>9</sup>	26.9	25.8	-4.1
	<b><u>2001</u></b>	<b><u>2002</u></b>	
43. Consumer price index (%)	9.2	8.68	-5.7

n/a = not available

Exchange rate: US\$ 1= 11.59 Namibian dollars (N\$) (Jan. 2002); 7.78 (2001); 6.94 (2000); 6.11 (1999); 5.53 (1998); 4.61 (1997).

<sup>6</sup> Unemployment statistics are inclusive of underemployment.

<sup>7</sup> Namibia does not have a minimum wage rate.

<sup>8</sup> Standard legal workweek is 45 hours.

<sup>9</sup> According to the United Nations Development Program, Human Poverty Index.

## **SUMMARY**

Namibia is a multiparty, multiracial democracy. Namibia attained political independence in 1990, following 116 years of German and South African colonial rule. In the last (1999) elections, the South West Africa People's Organization (SWAPO) won three-quarters of the seats in the National Assembly. The judiciary is independent.

The country's modern market sector produces most of its wealth, while a traditional subsistence agricultural sector (mainly in the north) supports most of its labor force. The population is approximately 1.8 million. The principal exports are diamonds and other minerals, cattle and fish. Ranching still is controlled largely by white citizens and foreign interests. In other industries including the important mining, fishing, and tourism sectors, the participation of indigenous entrepreneurs has been increased to provide opportunities for black citizens. Although there is an extreme disparity between the income levels of black citizens and white citizens, the living standards of black citizens continued to improve, and the major economic resources in the country no longer are controlled exclusively by white citizens. Unemployment is nearly 40 percent and affects primarily the black majority.

The Labor Law provides freedom of association and collective bargaining, and forbids bonded labor. Child labor below 14 years is not allowed. The Government mandates occupational safety and health standards but does not mandate any minimum wage.

## **BACKGROUND**

The 1991 Population and Housing Census put the population of Namibia at 1,409,920. In 2000, the population was at 1.8 million and by 2015 the population is expected to be 2 million at an annual population growth rate of 3.1 percent. Namibia is sparsely populated with no more than 1.7 persons per square kilometer. Most of the population lives in the northern part of the country. The proportion of the population in urban areas has been steadily rising from 27 percent in 1991, to 33 percent in mid-1997. The Namibian population is relatively young with more than half of the population under 20 years of age and 40 percent less than 15 years old. Namibia also has many more women than men, however, the male deficit is largely rural with 87 men for every 100 women in those areas.

The employment to population ratio indicates the extent to which the working age population enters the labor force and finds employment. In Namibia, 43 percent of the working age population were employed at the time of the 1997 national labor force survey. It is much higher in urban versus rural areas (51 versus 38 percent), a reflection of the fact that the urban participation rate is higher and the urban unemployment rate is lower than in rural areas. Employment is also a considerably higher rate for men (50 percent) than for women (38 percent).

Agriculture and the fishery industry provide the most jobs, along with employment in the private sector. Namibia has a relatively small informal sector compared to the rest of sub-Saharan Africa. Eighty-three percent of the employed population has some formal education but only 9 percent reached higher institutions of learning beyond the secondary level. The educational attainment of female workers tends to be somewhat higher than that of their male counterparts.

Another notable demographic trend is that Namibia suffers from one of the highest prevalence rates of HIV/AIDS in the world. With 22 percent of sexually active adults thought to be HIV-positive in Namibia, the disease will continue to have a wide—but not yet determined—adverse impact on the labor force and productivity.

## **DESCRIPTION OF THE LABOR SCENE**

### **Government**

Prior to Namibia's independence, the Department of Manpower was an extension of the South African Ministry of Manpower Development, which was characterized by systemic discriminatory policies on wages and labor conditions based on race, gender, ethnicity and political affiliation. This situation provoked conflict between employers, employees and trade unions. Unacceptable conditions of employment, inadequate occupational health and safety standards, a lack of freedom of association and suppression of trade unions further aggravated the unstable labor relations, before independence.

The Government of independent Namibia established the Ministry of Labor in 1991 to promote broad-based sustainable economic development. The Government enacted labor, social security, anti-discrimination, and affirmative action legislation to guarantee the rights of workers and promote the linkage between social progress and economic growth. In addition, all the core International Labor Organization (ILO) conventions were adopted and the Labor Advisory Council, a tripartite forum, was established.

The Ministry structure is comprised of four directorates: the Directorate of Employment Services, Directorate of Labor Services, Directorate of Labor Relations, and the Directorate of General Services. Two agencies, the Social Security Commission and the Labor Advisory Council, also form a part of the Ministry.

Among its activities, the Ministry developed the Namibian Standard Classification of Occupations (NASCO) to classify the existing occupational structure in Namibia based on the International Standard Classification of Occupations (ISCO-88). This serves as a basic tool for collecting data and analyzing the occupational structure of the Namibian labor force.

The Ministry has also established employment offices in 10 of the 13 regions of the country and plans to establish offices in the remaining regions. These employment offices provide services to job seekers in the public and private sectors. A draft Employment Services Bill, which will provide a legal framework for employment promotion and creation, has also been initiated.

The Ministry cooperates with sub-regional, regional, and international organizations and agencies. At a sub-regional level, it is a member of the Southern African Development Community (SADC) and regionally it participates in the African Union. At an international level, the Ministry has established Namibia's full membership in the ILO.

### **Employers**

The Namibian Employers Federation (NEF) is currently the only employers' association in Namibia. It was founded in August 1994 to promote sound labor relations, strong human resource development, and appropriate structures of labor administration. It has 79 corporate members and 8 associations (e.g. the Chamber of Mines, Construction Workers, Bankers, and Agricultural workers). NEF participated in the formation of proposed amendments to the 1992



Labor Act and in the compilation of a number of proposed codes in terms of the new labor legislation. Within Namibia, the NEF has representation on the Labor Advisory Council, the Social Security Commission, and the Employment Equity Commission. NEF also takes part in international activities, including participation in the Namibian Tri-partite Delegation to meetings of the SADC Employment and Labor Sector Committee and the Labor and Social Commission of the Organization for African Unity as well as the ILO.

## **Trade Unions**

Namibian political prisoners, released from South Africa's Robben Island in 1984, played a critical role in the emergence of trade unions in Namibia. In 1986, a Workers Steering Committee formed, and efforts began to organize workers around the country. Before independence, under apartheid, there were no laws that allowed workers to join trade unions and no laws that governed employer/employee relations. The trade union movement was at the forefront of ending apartheid and cultivating a democratic movement.

Unions are independent of the government and may form federations. The two principal trade union federations are the National Union of Namibian Workers (NUNW) and the Trade Union Congress of Namibia (TUCNA). TUCNA is a result of the June 2002 merger of the Namibian Federation of Trade Unions (NAFTU) with the Namibia People's Social Movement (NPSM). TUCNA is not affiliated with any party.

Prior to independence, NUNW was affiliated with the political party of SWAPO. The two are still closely linked as NUNW considers itself SWAPO-affiliated, but not government-affiliated. The NUNW is also affiliated with the International Confederation of Free Trade Unions (ICFTU). It represents NUNW affiliate unions and lobbies for land reform and protection of constitutional rights. The Public Service Union of Namibia (PSUN) is under TUCNA.

The Namibian Food and Allied Union (NAFAU), the first affiliate member of NUNW, established in 1986, initially focused on the political struggle against apartheid. After independence, NAFAU refocused on needs of concerns of workers in the workplace including increasing unemployment, gaps in income distribution, and racial, gender, and other inequalities.

The NAFTU was established in October 1998, and is comprised of several large unions covering workers in public service, teaching, mining and maritime. It is highly critical of the SWAPO government. In 1997, the mine workers established the Mine Workers Union Investment Company to supplement union dues.

Much of the labor unions' pre-independence activities were politically motivated—aimed at mobilizing support for a SWAPO victory over the apartheid government. At the time, more attention was paid to political than workplace issues.

Following independence, unions expected to start improving working and living conditions for all by focusing on industrial relations and redefining power relations in the workplace. But the slow pace of change resulted in disillusionment and many union leaders left for positions in government and the private sector. Simultaneously, there was attrition in union participation, as many workers believed that having attained independence, it was no longer necessary to attend meetings.

Today, nearly 26 percent of Namibia's employed population are unionized and close to 10 percent of the unemployed are affiliated with unions. Unions wield their political influence to

press the government to address increasing unemployment, income gaps, and inequalities by race and gender that still exist in the workplace.

During the struggle for independence, the NUNW was affiliated with SWAPO, and despite claims of independence, the two are still closely linked. The NUNW was invited to nominate candidates for SWAPO's 1999 National Assembly slate, and the NUNW president was nominated by SWAPO and elected to the National Assembly. The Government recognizes the non-SWAPO aligned union federation, NAFTU, and treats it professionally; however, the NAFTU does not appear to have the same level of consultative access that government officials accord to the NUNW.

## **THE ECONOMY AND LABOR**

Namibia's real economic growth rate increased from 2.6 percent during 1998 to 3.9 percent in 2000. With Namibia's success in boosting non-food processing, the Institute for Public Policy Research states that GDP has reached four percent during 2002. Namibia has experienced an increase in foreign investment and exports as a direct result of the Africa Growth and Opportunity Act (AGOA). The sectors in the economy holding promise for growth are mining and energy, fishing, manufacturing, and eco-tourism. The mining industry is the principal source of income for Namibia, comprising approximately 20 percent of the country's total GDP. Diamonds are the main export product, with significant amounts of uranium, copper, zinc, and gold also being exported. The most significant ventures in the mining sector are the re-opening of the former Tsumeb Corporation Limited mines, under the name Ongopolo Mining and Processing, and the initiation of development of the massive Skorpion zinc project in the far south of the country, with over US\$ 500 million in investment planned over the next 2 years.

Interest in the energy sector has increased substantially in the last year. A Houston-based oil and gas exploration company, Vanco, signed a petroleum agreement with the government in June 2000, obtaining an offshore block for exploration in the Namibe Basin along the Angolan border. Vanco officials believe that, in geological terms, the Namibe Basin is geographically more like Angola, where massive oil and gas fields have been discovered, than like the rest of Namibia. The Government has also signed a deal with a Russian parastatal to explore for oil and gas both onshore and offshore. Plans to develop the offshore Kudu Gas Field, off Namibia's southern coast, are progressing. The primary partners (Chevron-Texaco and Energy Africa) are considering a development plan that may entail a moderate size electric power generation plant in Oranjemund, Namibia, a pipeline to the Western Cape in South Africa and possibly two electric power plants there. With Kudu's development, the Government estimates that Namibia will be self-sufficient in energy within 10 years.

Manufacturing contributes approximately 16 percent to GDP, but this should increase significantly over the next 2-3 years as new AGOA-related textile manufacturing facilities come online. Apart from AGOA-related developments, there are strong efforts to enhance this industry in order to create new jobs and to increase value-added products for export in the region. The Government's primary vehicle for promoting growth in the sector is the export processing zone (EPZ) regime, overseen by the Offshore Development Company (ODC), within the Ministry of Trade and Industry.

Tourism contributes less than three percent to GDP, but its growth has been faster than any other sector. Promotion of the tourism industry, especially eco-tourism, is a major focus of the government. Namibia has spectacular scenery, including a wide variety of wildlife, the world's oldest desert, and the world's highest sand dunes. The Government is particularly interested in attracting more tourists from the U.S.

The question of labor rights in the EPZ has sparked considerable political controversy. Initially, the Government proposed the exclusion of the 1992 Labor Act from the EPZs to allay investor's concerns of possible industrial unrest. Unions challenged this exclusion as a violation of ILO conventions and Namibia's Constitution. However, negotiations between SWAPO and NUNW resulted in a compromise that the Labor Act would apply, but strike and lockouts would be prohibited for a period of five years. Although the compromise elicited mixed reactions from Namibian unionists, it was endorsed during a special meeting between NUNW and its affiliates in September 1995.

## **FOREIGN INVESTMENT POTENTIAL**

The Government actively seeks foreign investment as a way to develop the economy, generate employment and boost foreign exchange earnings. The 1999 Africa Competitiveness Report produced by the African Research Center at Harvard University places Namibia fourth in Africa behind Tunisia, Mauritius and Botswana in terms of various competitive criteria. Namibia's Foreign Investment Act of 1990 guarantees foreign investors treatment equal to that given to Namibian firms, fair compensation in the event of expropriation, international arbitration of disputes between the investors and the government, the right to remit profits, and access to foreign exchange. Investment incentives and special tax incentives are also available for the manufacturing and export sectors. While Namibia actively seeks foreign investment, some sectors have experienced aggressive "Namibianization" of existing investments. In particular, some foreign companies with fishing licenses in Namibia have alleged that they have been forced into partnerships with local individuals or firms, chosen by the government, in order to renew their licenses.

## **SOCIAL SAFETY NET**

The Social Security Commission was established by the Social Security Act of 1994 by Parliament and is entrusted with the administration of the Maternity Leave, Sick Leave, and Death Benefit Fund (MSD), the National Medical Benefit Fund, Employment Compensation Fund (ECF) and the National Pension Fund. When the Commission commenced operations in 1995, work processes were divided according to the funds. Division along these lines made coordination of activities difficult and led to duplication of efforts and administrative delays. Recent reorganization along functional lines, i.e. Registration, Claims, Assessments and Collections, eliminated these problems. Social Security staff training in other African countries, primarily through the social security systems of Zimbabwe, Mauritius and Ghana, was facilitated. The Commission also organized a Strategic Planning Workshop, which culminated in the adoption of a plan to guide the commission for the next three-year cycle.

Information technology is playing a critical role in improving service provision and efficiency of operations. Through assistance from UNDP, ILO, and the Norwegian government, the Commission developed an Information Technology (IT) Strategic Plan that provides a five-year framework for future computerization in the Commission.

The initial problems experienced with the registration of membership for the MSD Fund and ECF Fund have been solved and the process is now gaining momentum. Every employer who employs a person under 65 years for more than 2 days a week must register with the Commission. As the Social Security Act provides, each employee must contribute 0.9 percent of his or her income (minimum N\$ 2.70, maximum N\$ 27), and employers contribute a matching

amount. Self-employed persons contribute a total 1.8 percent of income. A summary on the registration and membership of the existing funds are indicated in the table below:

**Registration of Membership of MSD Fund and ECF Fund**

<b>Period</b>	<b>MSD Fund</b>		<b>ECF Fund</b>	
	<i>Employers</i>	<i>Employees</i>	<i>Employers</i>	<i>Employees</i>
1996	2,730	2,598	9,052	N/A
1997	25,000	221,683	10,044	N/A
1998	25,400	281,783	12,000	N/A
1999	29,462	292,555	14,652	N/A

Source: <http://www.grnnet.gov.na>

From an estimate of 400,000 employees in Namibia, a total of 292,555 are registered with the Commission as members. This figure includes both active and inactive employees.

Distribution of the social security cards to registered employees is also gaining momentum and thus far a total of 220,600 cards have been distributed. Registered employers are also issued with employers' certificates and 18,936 certificates have been issued so far.

Considerable progress has also been made with preparations for the establishment of the three outstanding funds, namely, the National Pension Fund, the Social Security Development Fund, and the National Medical Benefit Fund. Consultations are being held with the various stakeholders before provisions of these funds are implemented. The Commission is encouraged with the consultation process thus far and envisages implementing these funds within the next 24 months.

The Commission has also brought its services closer to its members in the various regions through the opening of the branch offices in Oshakati, Walvis Bay, and Keetmanshoop. Windhoek office serves the Khomas, Otjozondjupa, Okavango, Caprivi and Omaheke regions. Investigations for the establishment of additional offices at strategic locations are at an advanced stage.

In order to address the inequities of apartheid era health provision, the Minister of Health and Social Services issued a policy statement in March 1990, entitled *Towards Achieving Health for All Namibians: A Policy Statement*. Subsequently, the Government committed itself to providing access to health services for all Namibians by the year 2000. Fifteen percent of total government expenditure is devoted to public health.

The National Health Policy was reviewed in 1997, and the Ministry dedicated itself to the following principles:

- Ensuring equity of access to health care services to all, with special provision for those most vulnerable and most affected by inequalities, such as the rural poor, women and children;
- Promoting community involvement and greater citizen participation and involvement in decisions about priorities for access to and provision of health services;
- Providing affordable health services by strengthening health care systems which are sustainable, cost-effective, efficient and culturally relevant and acceptable;
- Facilitating cooperation and inter-sectoral action with all major players in the provision

of health care;

- Instituting measures to counter major health risks including the prevailing communicable diseases, such as malaria, tuberculosis and HIV/AIDS, and the deadly children's diseases, such as measles and polio;
- Ensuring the development of human resources in sufficient numbers for manning various health delivery systems;
- Ensuring the development of a national health care system that is capable of providing a fully comprehensive range of preventive, curative and rehabilitative health care that is cost-effective, sustainable and acceptable to the most disadvantaged communities, and promotes equity and facilitates the effective implementation of defined strategies and interventions; and
- Providing quality health care services.

## **LABOR LAW AND SYSTEM**

Laws specifically protect both union organizers and striking workers from employer retaliation. However, the scarcity of judges and lack of expertise in labor law causes lengthy and unnecessary delays. The draft Labor Act, which has not yet been promulgated, includes provisions for binding arbitration to resolve most labor disputes. The Labor Law does not prohibit labor by non-union replacement workers, but most companies seek negotiated settlements rather than employing non-union replacement workers.

The law applies to EPZs; however, workers in EPZs are prohibited from striking, and employers are prohibited from engaging in lockouts for a period of five years.

## **LABOR STANDARDS AND WORKER RIGHTS**

### **The Right of Association**

The Constitution provides for freedom of association, including freedom to form and join trade unions, and the Government respects this right in practice. Public servants, farm workers, and domestic employees also have this right. Trade union registration is unproblematic and there are no government restrictions on who may serve as a union official. Despite concerns created by a 1999 Ministry of Labor report that questioned a growing number of trade unions, the Government has not taken action to dissolve any trade unions. Nearly 26 percent of full-time wage earners were organized. Trade unions lack capacity and resources.

Except for workers providing essential services such as jobs related to public health and safety and workers in the EPZs, workers enjoy the right to strike once conciliation procedures have been exhausted and 48-hour notice has been given to the employer and labor commissioner. Under the law, strike action can be used only in disputes involving specific worker interests, such as pay raises. Disputes over worker rights, including dismissals, must be referred to a labor court for arbitration. The law protects workers engaged in legal strikes from unfair dismissal. Strikes are rare in the country. During 2002, there was a strike involving workers at a fishing company in Luderitz town and another strike involving employees of the University of Namibia. Negotiations with management resolved both disputes.

### ***Unionization by Industry***

<b>Industry</b>	<b>Unionization Rate (%)</b>
Agriculture	11.9
Fishing	49.7
Manufacturing	34.6
Mining and Quarrying	49.0
Hotels and Restaurants	35.2
Construction	25.4
Electricity, Gas & Water Supply	42.5
Education	55.8
Transportation, Storage, and Telecommunication	44.7
Health and Social Work	50.7

Source: *The Namibia Labor Force Survey 1997*. The Ministry of Labor and Central Bureau of Statistics, 2001.

### **The Right to Organize and Bargain Collectively**

The Law provides employees with the right to bargain individually or collectively. Collective bargaining is not practiced widely outside the mining and construction industries, which have centralized, industry-wide bargaining agreements. Almost all other collective bargaining is at the workplace and company level. However, as unions became more active, informal collective bargaining became more common. The Ministry of Labor cited lack of information and basic negotiation skills as factors hampering workers' ability to bargain with employers successfully.

The Law provides a process for employer recognition of trade unions and protection for members and organizers. The Law also empowers the Labor Court to remedy unfair labor practices and explicitly forbids unfair dismissals. Unfair dismissals occur when an employer terminates employment without following correct procedures and a substantially fair process. Unfair dismissals may be appealed to the Labor Court and remedies include fines, compensation, and reinstatement, as determined by a labor court judge; however, there are not enough judges to address the backlog of cases. Parliament is still reviewing new labor legislation, which provides for mediation and arbitration.

Employers are required to give a registered union access to its members and to recognize the exclusive collective bargaining power of the union when a majority of the employer's workers are members of that union. This provision of the law has been implemented effectively.

There are EPZs at the Walvis Bay and Oshikango industrial parks and a number of single-factory EPZs outside these parks. The Law applies to EPZs; however, workers in EPZs are prohibited from striking, and employers are prohibited from engaging in lockouts for a period of five years. Some trade unionists continued to challenge the constitutionality of the agreement reached by government and NUNW representatives codified in the Law because it limited the right to strike.

Under the agreement, labor-related issues in the EPZ were referred to a special EPZ dispute settlement panel composed of employers and workers for expeditious resolution. If a dispute is not resolved at this level, it is referred to compulsory arbitration. With only a few businesses operating in the Walvis Bay EPZ, the effectiveness of this agreement in securing the rights of workers in the EPZ could not be determined.

### **Prohibition of Forced or Compulsory Labor**

The law prohibits forced, compulsory, and bonded labor by adults and children; however, during 2002, there continued to be media reports that farm workers (including some children on family-owned commercial farms) and domestic workers often received inadequate compensation for their labor and were subject to strict control by employers. Ministry of Labor inspectors sometimes encountered problems in gaining access to the country's large, family-owned, commercial farms in order to investigate possible labor code violations.

### **Status of Child Labor Practices and Minimum Age of Employment**

Under the Law, the minimum age for employment is 14 years, with higher age requirements for night work and for certain sectors such as mining and construction. Children below the age of 14 often work on family-owned commercial farms and in the informal sector, and some also work in communal areas. In 1999, the Namibia Child Activities Survey reported that of the 444,751 children aged 6 to 18 in the country, 72,405 (16.3 percent) worked. The survey defined work as "for pay, profit, or family gain, even for one hour per day within the seven days preceding the survey." More than 95 percent of those children classified as working lived in rural areas, which indicated that the majority of child labor occurred on farms. The survey also documented that of those children classified as working, 80 percent continued to attend school.

Ministry of Labor inspectors generally enforced minimum age regulations; however, the Ministry continued to lack labor inspectors who were trained specifically in child labor issues. There also were reports that Ministry of Labor inspectors reportedly encountered problems gaining access to family-owned commercial farms to investigate possible illegal child labor. The Government has taken steps to end abuses, and the child labor problem has declined. There also were reports that Angolan and Zambian children worked on communal and cattle farms in border areas, although such occurrences have been curtailed since 1999 by the deportation of illegal immigrants.

The Labor Advisory Council, a tripartite board that includes government, union, and private sector representatives, sponsored a series of workshops during 2002 to sensitize and inform employers about child labor regulations.

### **Discrimination in Employment**

The Constitution prohibits discrimination based on race, creed, gender, or religion, and specifically prohibits "the practice and ideology of apartheid," and the Government generally respects these provisions. During 2002, there was a significant improvement in the attention paid to women's issues and the rights of disabled persons.

The Constitution prohibits discrimination against women, including employment discrimination. The law prohibits discriminatory practices against women married under civil law. Women married in customary (traditional) marriages continue to face legal and cultural discrimination.

Traditional practices that permit family members to confiscate the property of deceased men from their widows and children still exist; however, the frequency of such cases lessened considerably during 2002.

While discrimination on the basis of disability is not addressed in the Constitution, the Labor Act prohibits discrimination against persons with disabilities in employment; however, enforcement in this area is weak. Although there is no legal discrimination against persons with disabilities, societal discrimination persists. The Government legally does not require special access to public buildings for persons with disabilities, and many ministries remain inaccessible to them. Although some municipal governments have installed ramps and special curbing for persons with disabilities at street crossings, physical access for those with disabilities remained a problem due to resource constraints. Disability issues received greater public attention than in previous years, with wider press coverage of the human rights problems that confront persons with disabilities.

The Law codifies certain protections for those who cite racial discrimination in the course of research (including academic and press reporting) or in trying to reduce racial disharmony. Nevertheless, as a result of more than 70 years of South African administration, societal, racial, and ethnic discrimination persists. There were several reported cases in 2002, of black farm workers suffering discrimination in remote areas at the hands of white farm owners. Many non-whites continued to complain that the government was not moving quickly enough in education, health, housing, employment, and access to land.

### **Acceptable Conditions of Work**

There is no statutory minimum wage law. In Windhoek's non-white urban area townships, many workers and their families have difficulty maintaining a minimal standard of living. Leaders of the Farm Workers Union have called for a minimum wage in the agricultural sector because of the low wages that some farmers pay their employees. The apartheid era disadvantaged non-white citizens in terms of wages and standards of living. After independence, many non-white citizens who were disadvantaged experienced a rapid increase in standard of living, particularly with respect to access to education, housing, water, power, and wages for those with at least a basic education. However, wage levels for the less educated majority have remained largely unchanged since independence.

The standard legal work week is 45 hours, and requires at least one 24-hour rest period per week. An employer may require no more than 10 hours per week of overtime. The Law mandates 24 consecutive days of annual leave, at least 30 workdays of sick leave per year, and 3 months of unpaid maternity leave. However, in practice these provisions are not observed or enforced rigorously by the Ministry of Labor.

The Government mandates occupational health and safety standards. The Labor Act empowers the President to enforce these standards through inspections and criminal penalties. Labor laws generally are implemented efficiently. However, the Ministry of Labor lacks an adequate number of trained inspectors to monitor adherence to such labor regulations as providing overtime pay and social security by some companies, especially small, family-owned operations. The Law requires employers to ensure the health, safety, and welfare of their employees. It provides employees with the right to remove themselves from dangerous work situations; however, some workers do not have this right in practice.

For example, in 1999, workers at the Navachab gold mine near Karibib occupied the control room at the Ore Mill and shut down production to protest the extreme heat and shortage of



oxygen in the mine's metallurgy plant. A prior agreement between the mine and the mineworkers' union gave workers the right to leave the workplace if they believed that their safety was threatened; however, mine management protested the shutting of the mill as an illegal industrial action and threatened to fine the employees involved. In 2000, the workers reached a compromise with management to set up an independent panel of experts to investigate whether there was an unacceptable health risk at the mill. The panel found that health risks existed at the mill, and management withdrew disciplinary measures against the workers. Although the management agreed to improve working conditions in the mill and to address other labor grievances, the company did not pay strikers for the time when they were engaged in the industrial action, penalized workers who occupied the control room by refusing to give them a month's salary, and issued written warnings to other mill workers who joined sympathy strikes.

The Law accords the same rights to foreign workers as to citizens.

### **Trafficking in Persons**

Although the Law does not specifically prohibit trafficking in persons, it does prohibit slavery, kidnapping and forced labor, including forced prostitution, child labor, and alien smuggling. There were no credible reports that persons were trafficked to, from, or within the country. However, there were reports that the National Union for the Total Independence of Angola (UNITA) forces kidnapped citizens to serve as combatants and porters in Angola.

Police and immigration officials received training in combating trafficking in persons during 2000.

# **DIRECTORY OF LABOR ORGANIZATIONS**

## **GOVERNMENT**

### **Ministry of Labor**

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### **Ministry of Women's Affairs and Child Welfare**

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### **Offshore Development Company**

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### **Social Security Commission**

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## **EMPLOYERS**

### **Namibian Employers' Federation**

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## **LABOR FEDERATIONS AND UNIONS**

### **Namibia Chamber of Commerce & Industry**

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### **National Union of Namibian Workers (NUNW)**

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### **Namibia Federation of Trade Unions (NFTU)**

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### **Namibian Food and Allied Workers Union (NAFAU)**

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## **OTHER**

### **Labor Resource and Research Institute**

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