

Namibian Workers in 2019: Any reasons to celebrate?

By Herbert Jauch, published in The Namibian, 20 March 2019

As we look back on 29 years of independence, Namibian workers have every right to ask the questions: what do we celebrate and what have we achieved? There is no doubt that labour relations have improved after independence and that basic workers' rights have been enshrined in both the Namibian constitution and the Labour Act. Workers have rights to be treated fairly and to organise themselves to fight for better conditions of employment. Also, discriminatory practices at the workplace have been tackled to some extent and there are mechanisms in place to deal with unfair labour practices. However, an improved framework for labour relations and legal provisions on their own do not guarantee decent work, a living wage and improved standards of living for Namibian workers. Thus workers need to look at "the bigger picture", i.e. the socio-economic conditions that shape their lives today.

Ownership and economic power

Following the negotiated transition to independence and the protection of private property – no matter how it was acquired – Namibia maintained capitalism as the dominant economic system, although the Constitution refers to a "mixed economy" and the state owns some economic assets through State-Owned Enterprises (SOEs). The key sectors of the economy such as mining, fishing, finance, hospitality and retail have remained under the control of transnational corporations while workers remained excluded from economic ownership. Thus workers still experience huge power imbalances between themselves and their employers and are at the receiving end of huge income gaps that still characterise the Namibian labour market. Transnational companies such as Shoprite continue to display the arrogance of economic elites by continuously treating their workers with disrespect while rewarding managers with multi-million dollar packages for maintaining high levels of profitability. It is still a Namibian reality that a small minority continues to control the country's wealth while working class households experience precarious living conditions and trade unions have been unable to redress the country's economic power imbalances.

Having very little economic power means that workers continue to rely on their wages to keep themselves and their families alive. Available data show that most households rely on a single main income earner and that the vast majority of Namibian employees earn N\$ 5,000 per month or less.

Unemployment

This situation is worsened by the enormous levels of unemployment that have become even more severe in recent years. In 2016, unemployment reached a record of around 34% with women and young people being particularly affected. In 2018 the Namibia Statistics Agency (NSA) conducted another labour force survey but the results have not been released yet. It can safely be assumed that after more than 3 years of economic decline and rising government debt levels, Namibia's unemployment levels will have increased further to around 40% or more today. One

the one hand, tens of thousands of school leavers and graduates enter the labour market every year. On the other hand, government's severe financial crisis resulted in new posts being frozen, vacancies not being filled and infrastructure projects being curtailed. Several private sector dominated industrial sectors such as mining and construction have resorted to large scale retrenchments with thousands of jobs gone. This has a ripple effect on other sectors such as retail. Over the years we have seen that unemployment no longer affects only people with low skills levels but that it has now reached those with tertiary education and there are no signs of improvements in the near future.

Collective bargaining

Mass unemployment places a downward pressure on the wages and benefits of those in jobs. With the exception of the select few with scarce and sought-after skills, workers constantly face the argument that they are lucky to have a job and if they are not happy with what they are being paid, they are free to look for employment elsewhere. Such attitudes render the process of improving wages and conditions of employment through collective bargaining very difficult. The notion of a living wage, namely a wage that allows workers to live a life in dignity, being able to meet all their basic needs, has almost disappeared from the agenda. Instead, trade unions struggle to achieve wage increases that keep pace with inflation although such inflation-linked increases are merely inflation adjustments. Very few unions managed to negotiate real wage increases above the inflation rate. In some public sector organisations and private companies, recent wage negotiations resulted in increases that were even below the inflation rate which means a decline in workers' real wages.

Trade unions also fell into the trap of accepting across-the-board increases which benefit workers in higher income categories and disadvantage those in the lower ones. Over the years, collective bargaining has thus resulted in a further widening of income gaps.

It is important to remember that most employed people in Namibia do not belong to any trade union at all and are thus not benefitting from collective bargaining or from collective protection against violations of their rights and interests. The last labour force survey found that the majority of employees in Namibia do not enjoy any employment benefits and find themselves in a kind of "informal" employment relationship.

Any hope?

In light of the above, many Namibian workers face a daily struggle for survival. The fear of losing the job and thus the family's main source of income is a constant reality and many workers are forced to accept temporary jobs without any job security. Precarious forms of employment in the formal and informal sectors of the economy have become common and traditional forms of collective bargaining are unable to change that. Workers and their organisations, especially trade unions, will therefore have to confront these realities at a political level (economic power and control), at a policy level (how to create a large number of permanent decent jobs? Which

interventions are needed to achieve that?) as well as through collective action. Such action has to be strategic and targeted because it has to tackle existing power structures and bring about wide-ranging socio-economic changes. This is truly a mammoth task and will not be achieved easily as elites will continue to defend their privileges. Thus the slogan “*a luta continua*” still captures the task ahead for Namibian workers today.