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The thorny issue of labour unrest

Prepared by Herbert Jauch for The Villager newspaper

The question of “labour unrest”, meaning strikes and unresolved disputes continues to haunt labour relations in Namibia. Despite an improved legal framework and the hope of introducing the notion of social partnership after independence, several Namibian workplaces are still characterised by tensions. It is against this background that the Ministry of Labour and Social Welfare met with the National Union of Namibian Workers (NUNW) and the Namibian Employers’ Federation (NEF) earlier this month to discuss the underlying reasons and possible solutions to labour unrest.

The tripartite conference identified several key issues that strain labour relations in Namibia today. These include hardened attitudes and prejudice against trade unions by some employers; a lack of trust between employers and workers; an unwillingness to find negotiated solutions; poor negotiating capacity and confrontational bargaining as well as a lack of understanding about the impact of strikes. Other identified causes of labour conflicts include a legalistic or technocratic approach to the resolution of disputes and the often counter-productive interventions of labour consultants and lawyers. Furthermore, victimisation of shop stewards, conflicts between and within unions, unilateral decision-making by some employers, a lack of enforcement of existing laws and agreements and poor labour practices at several state-owned enterprises are fuelling labour unrest.

These issues were discussed in detail and possible solutions were explored. The conference also noted that not everything was doom and gloom as labour relations have improved substantially at several workplaces where a more conducive relationship between companies and workers was developed. However, the many and varied reasons for the ongoing tensions point to a long road ahead as attitudes and practices will have to change. This is hardly surprising given the history of labour relations in Namibia (and internationally). After all, workers’ rights had to be fought for through long and bitter struggles and advancing democracy at the workplace today is merely a continuation of that struggle.

The tripartite labour conference also took note of the power imbalance between capital and labour which is still very pronounced and plays itself out in unilateral decisions about “organisational restructuring” such as outsourcing and retrenchments. The wage gaps between highly paid managers and poorly paid production workers continuous to grow and a two-tier labour market has emerged: One group of workers in the formal sector of the economy still has permanent jobs with relatively stable incomes and some benefits while an ever increasing number of workers is exposed to contract work without job security or benefits or has to make a living in the informal economy where wages tend to be even lower.

Namibia's labour market thus puts enormous pressure on workers in the form of structural constraint such as mass unemployment which weakens the bargaining position of workers. In addition, the extremely high and unrealistic costs of housing as a result of an uncontrolled housing market put enormous pressure on wage earners as an ever-increasing share of income is consumed by housing alone. Workers in the "second tier" (those without permanent jobs) can't even dream of owning a house any longer and are condemned to a life in shacks.

As elsewhere in capitalist market economies, there are fundamental contradictions between the interests of labour (captured in the demand for a living wage) and those of business which seeks to maximise profits. These contradictions cannot be wished away and thus the notion of social partnership that was introduced in Namibia after independence is merely an attempt to find ways to mitigate the structural labour-capital conflicts. Unless workers gain substantial benefits and concessions and are no longer seen as expandable inputs into the production process, Namibia's labour relations are bound to remain conflictual. The goal of building fairness and trust is thus not only a question of attitudinal changes but also touches on the question of changing the economic power imbalances. Otherwise, Namibia will continue to be a "higher middle income country" where a small elite will continue to accumulate economic benefits while the majority will remain economically marginalised. This is probably the biggest challenge ahead and it has a direct influence on labour relations. Unresolved social conflicts often have an influence on labour relations and it will be interesting to see how unions, employers and the state will tackle these and the other challenges identified at the conference.

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