

**CHALLENGES OF STATE INVOLVEMENT IN INDUSTRIAL RELATIONS IN
ZIMBABWE**

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Abstract

Labour relations in Zimbabwe rally around the tripartite arrangement between the state, the employers and the employees. State involvement in labour relations in Zimbabwe is fraught with challenges that emanate from its role as an employer of the majority of the formally employed work force, rule maker, protector of labour standards, and protector of citizenship rights and regulator of macro - economic policies. In response to the economic stagnation experienced in Zimbabwe the state came up with a number of economic policies that impacted negatively on the rate of growth of the economy resulting in high inflation, high unemployment rates and general poverty among the populace and a rise in the informal sector. This led to an increase in labour unrest and political polarisation. Government responded by passing measures that prohibited labour forums and meetings and led to the fragmentation of the labour unions.

Key words: Labour relations, state involvement, challenges, Zimbabwe,

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Introduction

Labour relations is a term that refers to the system in which the employers, employees and their representatives set ground rules for the governance of work place relationships. The terms ‘labour relations’ and ‘industrial relations’ are used interchangeably. The terms describe that area of study which describes the roles and interactions between the various parties of the labour relationship. The terms also include individual employment relationships between an employer and a worker governed by a written or implied contract of employment. The field of labour relations encompasses such aspects as conditions of service, collective bargaining, various forms of worker participation and mechanisms for resolving collective and individual disputes.

The State refers to the government of the day and its implementing agencies such as ministries. It has a direct and indirect influence on all labour relations. Labour relations in Zimbabwe is a tripartite relationship that includes the state itself and other players such as employees or their representatives such trade unions, and employers or employer organizations.

The state is itself an employer of the largest workforce in the country. By enacting the labour Act the state made itself the protector of standards. It promotes and protects citizenship and democratic rights in general and at the workplace in particular. It also governs macro – economic policies that impact on labour. State involvement in industrial relations faces challenges when the employees exercise their democratic rights as workers and citizens. The role of the state in labour relations has been compromised.

Role of the State in labour relations

When it comes to labour relations in Zimbabwe the state makes the rules. It puts in place legislation that guides the relationship between the employer and the employee. In Zimbabwe the Labour Relations Act is a very detailed piece of legislation that provides for different situations that might be encountered in the employment relationship. It covers fundamental rights of employees, the rights and functions of trade unions, formations and functions of workers committees, determination of disputers and unfair labour practices, collective bargaining agreements, functions and rights of employment agencies, general conditions of employment and wages and salaries control. In other words the state regulates the contract of employment.

Because the state regulates conditions of employment, it means that it regulates working hours, leave, minimum wage and settlement of disputes. Employers are prohibited from dismissing workers on notice or retrenching without the approval of the state. Women are allowed to take maternity leave on full pay and benefits for period of 98 days when they have saved for at least one year with the same employer. The state has the legal right to control unions. It also has the right to vary or suspend collective bargaining agreements.

The state as government is itself an employer. In Zimbabwe the state employs all civil servants ranging from teachers, nurses and those who work in government ministries. Because the state is the biggest employer it sets standards for smaller and private companies. The state should act as a responsible employer and lead by example on how employees should be treated.

Government is the protector of standards which call for consequences and penalties if they are not adhered to. The standards which must be adhered to are included in the Labour relations Act. For example, chapter 28, 01 section 6 provides that no employer shall pay an employee a wage which is lower than the minimum wage stipulated by government from time to time. The act also protects employees by stipulating the maximum number of working hours permitted or agreed to under the act.

The Labour Act chapter 28, 01 section 7 talks of protection of employees' right to democracy in the work place. The act states that no one should be discriminated against on the grounds of political affiliation. By extending political citizenship rights to the workplace through legislation and policy the state also promotes and protects citizenship democratic rights.

Government is responsible for setting macro - economic policies that also impact on labour. Macro - economic policies include changes in monetary supply, inflation rates, changes in aggregate demand and supply as well as changes in the labour market. In this regard government plays the economic manager role. As such government determines the extent to which state funds welfare protection and subsidies so that employees do not become totally dependent upon employers for survival.

The various roles discussed in this paper of government as the rule maker, an employer in its own right, protector of standards, promoter of citizenship and worker rights, and economic manager, bring about challenges for state involvement in industrial relations.

Challenges

The introduction of the Political Order and Security Act (POSA) and the Access to Information and Protection of Privacy Act (AIPPA) in 2002 by government compromised the role of the state as promoter of citizenship and democratic rights. The implementation of POSA effectively prohibited labour forums and meetings. AIPPA effectively restricted access to and presentation politically sensitive information. Implementation of these pieces of legislation led to the arrest, detention and sometimes torture of opposition activists (Matombo and Sachikonye 2010; Mc Candless 2011). These authors note that the main opposition party the MDCT and the MDC both emerged from the Zimbabwe Congress of Trade Unions. In a bid to frustrate and fragment or break the opposition movement, the state registered the Zimbabwe Federation of Trade Unions (ZFTU) as an alternative labour centre. It was created to be a vehicle for anti-ZCTU campaigning from within labour ranks. Labour in general and public servants in particular have been effectively silenced as they can stand against their employer at their own risk.

The economic challenges and stagnation of the 1990s made the state to come up with new economic policies resulting in the well known Economic Structural Adjustment Programme (ESAP). In response to the effects of ESAP, government embarked on monetary policies intended to ease the situation. There was some deregulation of the labour market which resulted in the increase in unemployment and general poverty. There was deliberate intervention by the Reserve Bank which instituted economic policies that impacted negatively on inflation rates and economic growth. There was an increase in money supply which led to high inflation which in turn resulted in increased wage demands to cater for the decreased purchasing power of the Zimbabwe dollar.

The economic depression in Zimbabwe led to many companies closing down resulting in increased unemployment. The unemployment rate in Zimbabwe is currently reported to be more than 70% of the population. Less than 900 000 are in formal employment out of a total of 13

million people (Bulawayo.com 2013). Historically the inflation rate in Zimbabwe from 1999 until 2013 averaged 1213.14 % according to the Reserve Bank of Zimbabwe statistics. This has resulted in many people living in poverty. Most people earn US\$467 per month which is way below the poverty datum line of US\$503 per month for January 2013 (VOICE of America, 2013). The poor economic situation has led to the emergence and rise of the informal sector. The informalization of the economy has negatively impacted on labour activism.

Informalization of the economy and high unemployment levels create serious challenges for the labour movement. When unemployment rates are high, the bargaining power of workers is reduced and poor wages and working conditions prevail. As a result, membership of trade unions has dwindled. At the height of labour activism in the 1990s only 16% of the workforce in Zimbabwe belonged to trade unions (Sachikonye, 2001). Mass activism has been rendered difficult and ineffective because poverty and informalization means that people focus on making a living and have little time for union activities (Raftopolous 2009).

The role of the state as protector of standards and setting up minimum wages has both positive and negative effects on industrial relations. On the one hand, employees are protected in that employers must pay them the stipulated minimum wages. On the other hand, this has led to some unscrupulous employers paying the stipulated salaries even when they can afford to pay more. On the negative side also, those companies that cannot pay the stipulated minimum salaries and wages struggle to keep their workforce. For their own survival such companies may resort to downsizing of operations and retrenchments of labour.

Conclusion

The macro-economic policies and the poor economic performance of the country has resulted in high inflation rates, the rise in unemployment, the emergence and rise of the informal sector and reduced labour activism.

While state intervention in industrial relations protects workers in respect to conditions of employment and the setting of minimum wages and salaries, its involvement in industrial relations as employer, protector of industrial relations standards, promoter and protector of citizenship and democratic rights of workers and manager of macro -economic policies brings

about challenges for itself when the government passes laws which militate against labour. State intervention in industrial relations in Zimbabwe has limited the exercise of workers' rights at the work place.

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