



REPUBLIC OF NAMIBIA

MINISTRY OF JUSTICE AND LABOUR RELATIONS

LABOUR RELATIONS

**INTRODUCTION AND MOTIVATION OF THE BUDGET ESTIMATES
FOR VOTE 14**

2025/2026 FINANCIAL YEAR

BY

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MINISTER

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30TH APRIL 2025

**Hon. Chairperson of the Whole House
Committee
Hon. Members**

I rise to introduce Vote 14, the budget of the Department of Labour Relations in the Ministry of Justice and Labour Relations for the financial year 2025/2026 in the total amount of **two hundred and fifty million, two hundred and fifty-six thousand Namibia Dollar (N\$ 250,256,000.00).**

**Hon. Chairperson of the Committee of the
Whole House
Hon. Members**

The Department of Labour Relations plays an important role in fostering harmonious industrial relations, employment and social protection in the country, which in turn contribute to fair and decent working and living conditions in the country.

Sound industrial relations characterised by effective collaboration communication between employers, employees and the Government fosters a harmonious environment for productivity, economic efficiency and growth. In this equation, we have workers and their families who are looking to Government and Parliament to protect their interests - decent wages as well as safe working and living conditions and access to employment opportunities.

On the other side, we have employers are also looking to Government and Parliament to ensure that legislations regulating the labour market affairs and operations protect their investments and promotes productivity and economic growth.

The Department of Labour Relations is the premier institution of the State tasked with the important role of fostering labour and industrial relations and harmony in the country. However, the growth of

economy and the sustenance of harmonious industrial relations require our collective effort as a nation – the business sector, formal and informal, the public sector, social partners and other key stakeholders.

Hon Chairperson of the Whole House Committee

Hon. Members

I wish to set the scene with a brief overview of a few salient features of our labour market. Namibia is one of the world's most unequal countries. In this regard and despite the fact that income inequalities have reduced over the last three decades, the decrease has been slow in the area of income inequality. Analysis indicates that labour wage income and business income are the key contributors to income inequality in the country. In this connection, the Government through the Department Labour Relations continues devise and implement measures to reduce inequalities in all its different manifestations and to promote the principle of equality of opportunity and treatment in the labour market.

Statistics (2023:Population and Housing census statistics) further indicate that unemployment has increased from 33.4 per cent in 2018 to 36.9 per cent in 2023 and is highest among the youth (44 per cent), women (39 per cent) and rural communities (38 per cent). Naturally, the Government expects to play a leading role in devising measures to create conditions for increased investment and opportunities for inclusive and sustainable business and economic growth and employment.

Hon. Chairperson of the Whole House Committee

Hon. Members

With the funding that was availed to us during the preceding financial year, 2024/2025, we were able to achieve the results as indicated in Annexure to this Motivational Speech. I am standing here to request the approval of this August House for the budgetary allocation totalling **two hundred and fifty million, two hundred and fifty-six thousand Namibia Dollar** to enable us to continue and scale up our programmes.

The key programmes and interventions that will be funded and implemented during the financial year 2025/2026 are as follows:

1. **Policy and legislation reform and development:**

The specific main activities that are to be carried out here are:

- Finalisation of amendments of labour related laws namely the Labour Act, 2007, the Affirmative Action (Employment) Act, 1998, the Employment Services Act, 2011, the Social Security Amendment Bill; Employees Compensation Bill; Occupational Safety and Health Bill, as well as the Third National Employment Policy, the National Productivity Policy; and the National Inspection Policy;
- Fulfilment of Namibia's obligation under the International Labour Conventions on Workers with Family Responsibilities (Convention 156) as well as on Maternity Protection (Convention 183), and
- Acceleration of the establishment of a National Pension Fund under the Social Security Commission.

2. In the area of **Labour Law enforcement**, we will:

- Ensure effective implementation and enforcement of compliance to the set National Minimum Wage for employees, which came into effect on 1st January 2025. The

Minimum Wage Order applies to all employees and their employers including employees who are placed by a private employment agency as defined in section 1 of the Employment Services Act, 2011;

- We will continue and intensify our workplace labour inspections and investigations of labour complaints and occupational accidents with a view of enforcing compliance with labour laws in terms of basic condition of employment, occupational safety and health and prohibition of child labour and forced labour.

3. In our continuous promotion of **Social Justice through Alternative Dispute Resolution, the Ministry through the Office of the Labour Commission will:**

- Expedite the development of a new Case Management System (CMS) for the Office of the Labour Commissioner, which will create appropriate IT infrastructure and automation that will enable e-referral, e-filing, and online conciliation and arbitration, as well as more easy retrieval and verification of records on retrenchments and industrial actions.
- Finalise and implement the recommendations of a business process re-engineering exercise that is underway at the Office of the Labour Commissioner, which is aimed at enhancing the responsiveness and effective public service delivery capacity of this Office.
- Finalise the process and transitional modalities for the establishment of the Office of the Labour Commissioner as an independent Commission for Alternative Dispute Resolution (CADR) in line with Cabinet decision 2nd/25.02.25/009.

4. In our continued resolve towards the **eradication of inequalities and promotion of gender equality in employment, the Ministry through the Employment Equity Commission** will undertake the following activities:

- Roll out the EEC turnaround strategy focusing on the introduction of a newly developed Integrated Review Scorecard (IRSC).
- Implement ILO Convention 190 on Violence and Harassment in the World of Work and strengthen compliance with ILO Convention 111 on Discrimination.

5. In the area of **Labour Market Services**, we will expand employment support and facilitation services as follows:

- Finalisation of the upgrading of the job seekers' system, known as the Namibia Integrated Employment Information System (NIEIS), and for the system to effectively serve its purpose of capturing and connecting potential employees and employers;
- Strengthening the coordination and implementation of National labour Migration Policy;
- Finalisation of the updating of the Namibia Standard Classification of Occupations (NASCO);
- Conduct the National Skills Audit (NOSA) to identify skill gaps against the demand in the labour market, and to correctly inform policy decisions and planning as well as to guide industry and education.
- The implementation of the Global Accelerator (GA) project, which is aimed at accelerating job creation and social protection for just transitions. As one of the Path Finder

Countries in creation of 400 million job globally and to ensure social security coverage to four billion people globally, Namibia has identified biomass project as one of the projects with the potential to create employment estimated at 3,600.

- We also plan to implement the following capital projects - the finalisation of the building of a Labour Office in Nkurenkuru, Kavango west Region and the expansion of our Labour Office in Otjiwarongo, Otjozondjupa Region.

6. In order to **Strengthen Social Dialogue and Support to our Social Partners**, we will:

- Support our social partners, notably the most representative trade unions and employers' organizations in line with the principles of State Policy as enshrined in Article 95 of the Namibian Constitution;
- Investigate and kick-start the automation of some of our key services such as e-filing for applications for exemptions under the Labour Act;
- Key to ensuring sound industrial relations is informant and continuous engagements. Accordingly, we will intensify information dissemination and awareness campaigns on labour laws, the National Minimum Wage order and other key labour related imperatives.

Hon. Chairperson and Members of the House

I wish to end with brief breakdown of our budget allocation per programme.

Programme 01: Promotion and Ensurance of Optimum Development and Utilisation of Human Resources (Labour

Market Services) - An amount of thirty-six million, four hundred and ninety-nine thousand Namibia Dollar (N\$36,499,000) is allocated towards this programme and will go towards employment related services, productivity, research as well as career guidance and vocational counselling to job seekers especially young people.

Programme 2: Promotion of Harmonious Labour Relations - A total amount of ninety-nine million, seven hundred and twenty-eight thousand Namibia Dollar (N\$99,728,000) is allocated to this programme. The Programme consists of the activities that are implemented by the Office of the Labour Commissioner (labour disputes resolution); the Employment Equity Commission, which enforces compliance to the Affirmative Action legislation, as well as our Labour Services, which undertakes labour inspections and enforcement of compliance to basic conditions of employment and occupation safety and health as well as maintenance of employees/workman compensation.

Programme 3: International Relations and Advice - An amount of thirteen million, eight hundred and sixty-eight thousand Namibia Dollar (N\$13,868,000) is allocated to this programme which is responsible for tripartite consultation (Social dialogue), coordination between the Ministry and other institutions (national, regional and international) that deal with labour and employment matters such as Southern Africa Development Community (SADC), African Regional Labour Administration Centre (ARLAC), African Union (AU) and the International Labour Organisation (ILO) among others.

Programme 4: Supervision and Support Services - A total amount of one hundred million, one hundred and sixty-one thousand Namibia Dollar (N\$100,161,000) is allocated to this programme which is responsible for overall supervision and administrative support to the core functions of the Ministry.

**Hon. Chairperson of the Whole House
Committee
Hon. Members**

I now hereby submit for approval by the House the total budget for Vote 14- in the amount of **N\$250,256,000 (two hundred and fifty million, two hundred and fifty-six thousand Namibia Dollar)**, which amount is broken down into an amount of **N\$245,256,000 (two hundred and forty-five million, two hundred and fifty-six thousand Namibia Dollar)** as the Operational Budget and a Development Budget of **N\$2,000,000 (two million Namibia Dollar)**.

As I conclude, I wish to take this opportunity to pay tribute to those who were at the helm of the merged Ministry that I am now leading who laid a good foundation on which my team and I are building. I am equally grateful to the team that I have the honour of leading for the support and continued hard work.

Hon Chairperson, I submit Vote 14 for approval of the House, and I thank you.