

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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WINDHOEK

30TH APRIL 2025

Hon. Chairperson of the Whole House Committee Hon. Members

Hon. Chairperson of the Whole House Committee Hon. Members of this August House

I ascend at the hour, to introduce and present Vote 14 — the budget for the Department of Labour Relations within the Ministry of Justice and Labour Relations — for the financial year 2025/2026. In the presentation of this Budget, I am not only joined in solidarity by the staff members of the Ministry of Justice and Labour Relations, but also by every worker striving to earn a dignified living, every employer committed to creating decent jobs, and every Namibian family hoping for a fairer and more just society.

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

The Department of Labour Relations is requesting a total allocation of Two Hundred and Fifty Million, Two hundred and fifty-six thousand Namibian Dollars N\$250,256,000.00). This budget is not simply a line item in government accounts — it is a budgetary provision to secure peace at workplaces, an investment in social justice, equity in the labour market, and a trigger for productivity across our economy.

Hon. Chairperson of the Whole House Committee Hon. Members

Labour relations are not just technical or administrative issues; they are the beating heart of a just and prosperous society. They shape how we work, how we live, how we co-exist and grow together. At the centre of sound labour relations and harmonious industrial co-existence lies **social dialogue** — the bridge that connects workers, employers, and the State in mutual understanding and shared progress. Otherwise, tripartism.

The Labour Relations Department plays a central role in shaping and nurturing these relationships. Through inclusive dialogue, fair legislation, and collaborative partnerships, we lay the groundwork for **industrial peace**, **socio-economic transformation**, and **inclusive growth** for Namibia.

Hon. Chairperson of the Whole House Committee Hon. Members

1. The Current Labour Landscape

Permit to highlight the current labour landscape in Namibia. While Namibia has made progress in labour issues, the country remains one of the most unequal countries in the world. Despite ongoing interventions, income inequality persists, largely driven by disparities in wages and business income.

Unemployment – according to 2023: Population and Housing Census Statistics, unemployment has increased from 33.4% in 2018 to 36.9% in 2023. Constituting a higher fraction of this percentage is unemployment (44%), women (39%), and rural citizens (38%)—this remains a profound challenge. We must not accept this as normal. Our labour market must become more **equitable**, **inclusive**, and **responsive** to the aspirations of our people.

Our work through the Department is to ensure that every Namibian, regardless of their background, can access **decent work**, fair compensation, and **safe working conditions** — while simultaneously fostering an environment where **businesses can thrive**, innovate, and create more jobs.

2. Our Strategic Priorities for 2025/2026

The 2025/2026 financial year will build on the achievements of the past while ambitiously scaling up efforts in six key areas:

a) Reforming Labour Policy and Legislation

We will:

- Finalise long-overdue amendments to the Labour Act, Affirmative Action Act, Employment Services Act, and others to align with today's realities.
- Honour Namibia's commitments under international conventions, such as the ILO Conventions on Maternity Protection and Family Responsibilities.

 Accelerate the establishment of the National Pension Fund under the Social Security Commission to ensure that every worker can retire in dignity.

b) Enforcing Labour Laws with Vigour and Fairness

We will:

- Rigorously enforce the National Minimum Wage Order (that has been expected to be implemented, effective,1st January 2025.
- Intensify labour inspections, accident investigations, and enforcement efforts — including in informal sectors — to ensure compliance with laws that protect workers from child labour, forced labour, and unsafe conditions.

c) Advancing Social Justice through Dispute Resolution

The Office of the Labour Commissioner will:

- Launch a modern Case Management System for e-referrals, online arbitration, and better access to data.
- Finalise the transition to an independent Commission for Alternative Dispute Resolution, in line with Cabinet's vision for a more responsive and efficient system.

d) Promoting Employment Equity and Gender Equality

Through the Employment Equity Commission, we will:

- Implement a new Integrated Review Scorecard to improve equity compliance.
- Advance implementation of ILO Convention 190 on violence and harassment in the workplace.
- Strengthen enforcement of **non-discrimination laws**, ensuring workplaces are safe and fair for all.

e) Expanding Labour Market Services and Skills Development

We will:

 Finalise the upgrade of the Namibia Integrated Employment Information System (NIEIS) to better match job seekers with opportunities. Conduct a National Skills Audit to better align education, training, and industry needs.

Roll out the Global Accelerator project to create over 3,600 jobs

through biomass and other sustainable industries.

 Invest in physical infrastructure: completing the Labour Office in Nkurenkuru and expanding the one in Otjiwarongo.

f) Strengthening Social Dialogue and Partner Engagement

We will:

- Provide technical and logistical support to our social partners trade unions and employers' organisations — as enshrined in Article 95 of our Constitution.
- Begin the digitalisation of services such as e-filing of exemptions, increasing efficiency and transparency.
- · Scale up national awareness campaigns to improve public understanding of labour rights, the minimum wage, and employment obligations.

3. Budget Allocation by Programme

Hon. Chairperson of the Whole House Committee Hon. Members

Let me highlight, how the N\$250.2 million budget will be distributed:

- Programme 01: Labour Market Services N\$36,499,000 (Employment services, productivity, youth career counselling, research)
- Programme 02: Promotion of Harmonious Labour Relations -N\$99,728,000 (Dispute resolution, compliance inspections, employment equity enforcement)
- Relations Advice 03: International Programme N\$13,868,000 (Social dialogue, cooperation with SADC, AU, ILO, ARLAC)
- Services Supervision & Support Programme 04: N\$100,161,000 (Administrative and supervisory functions)

Of this total, **N\$245,256,000** is earmarked for **operational expenses**, and **N\$2,000,000** for **developmental projects**.

Conclusion

Honourable Chairperson of the Whole House Committee, Honourable Members,

This budget is more than numbers. It is a call to collective responsibility – calling on the **businesses**, **workers**, **government** and all **social partners** to come to the fore so that we co-create a labour market that is just, resilient, and fit for purpose.

As we chart our course forward, let us remain guided by the principles of **equity**, reasoned reforms, social **dialogue**, constructive engagement, and **shared prosperity**. Let us build a Namibia where every job is a decent job, every employer a development partner, and every citizen is a progressive participant in the national developmental agenda and growth trajectory.

As I draw closer to the conclusion, I would like to pay tribute to my predecessors who laid a strong foundation, and I salute the dedicated officials for their continued exponential leadership and stewardship.

Honourable Members, I now submit Vote 14 for your scrutiny, discussion and coherent approval.

I thank you for your undivided attention.