

**COLLECTIVE AGREEMENT ON MINIMUM WAGE IN THE
AGRICULTURE SECTOR**

**Agricultural Employers' Association;
Namibia National Farmers' Union;
Namibia Emerging Commercial Farmers' Union; and
Namibia Farm Workers' Union**

NOVEMBER 2017

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COLLECTIVE AGREEMENT ON MINIMUM WAGES

PREAMBLE

The Agricultural Employers' Association;

The Namibia National Farmers' Union;

The Namibia Emerging Commercial Farmers' Union; and

The Namibia Farm Workers' Union,

Being the Parties to this Collective Agreement,

Desiring to maintain labour peace in the agricultural sector,

Realizing the need to curb and prevent exploitation of farm workers, and

Having welcomed the principle of determining a minimum wage for agricultural workers,

Now agrees as follows:

ARTICLE 1

DEFINITIONS

For the purpose of this agreement the term

"Agriculture" covers activities carried out in agricultural undertakings including crop production, animal husbandry, game farming and hunting, guest farms, insect raising, the primary processing of agricultural and animal products by or on behalf of the operator of the undertaking as well as the use and maintenance of machinery, equipment, appliances, tools and agricultural installations, including any process, storage, operation or transportation in an agricultural undertaking, which are directly related to agricultural production; "Agriculture" does not cover subsistence farming, industrial process that use agricultural products as raw material and the related services;

"Agricultural sector" and "Agricultural activity" have the corresponding meaning;

"Agricultural employer" means the owner or operator of an agricultural undertaking;

"Agricultural employee" means a person working for an agricultural undertaking or an agricultural employer for any period of time and who receives remuneration;

"Breadline" means a total income of the equivalent of 3 US\$ per day per person;

"Dependants" means the employee's spouse or partner and their dependent children.

"Entry level" means the lowest level of remuneration of an agricultural employee;

"Remuneration" means the total value of all payments in money or in kind made or owing to an employee arising from the employment of that employee;

"Subsistence farmer" means a bona fide small-scale farmer who produces primary for own consumption and who has no formal employment;

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ARTICLE 2

RECOGNITION AS EXCLUSIVE BARGAINING AGENT

For the purpose of this agreement the Parties recognise the Namibia Farm Workers' Union as Exclusive Bargaining Agent.

An employer may deduct a fee due to the Namibia Farm Workers' Union from an employee's remuneration if the employee is a member of the Union, and has authorised the deduction in writing. An employer may retain as a collection fee an amount not exceeding 5% of the total amount deducted and shall pay the remaining money to the Union within seven days of the end of the month. (Refer to Art 66 (2) and (7) of the Labour Act, 2007, Act No 11 of 2007)

ARTICLE 3

PURPOSE OF MINIMUM WAGE DETERMINATION

The purpose of this collective agreement for a minimum wage is:

- To improve the living standard of agricultural employees;
- To reduce poverty;
- To maintain social peace;
- To ensure income levels above the breadline; and
- To curb and prevent exploitation of agricultural employees.

ARTICLE 4

CRITERIA FOR DETERMINING MINIMUM WAGES

The criteria to be used for a minimum wage determination should be, but not limited to:

- The needs of employees and their dependants;
- The capacity of the employer to pay;
- The level of wages in the country as a whole;
- Existing social security benefits; and
- Economic factors, including the requirement of the economic development.

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ARTICLE 5

COVERAGE OF MINIMUM WAGES

- The agreed minimum wage determines the wage for the entry level of agricultural employees in the whole of Namibia, including agricultural contract employees;
- Domestic workers on farm, game and hunting farms, and lodges are also covered by this agreement;
- Specific categories of agricultural employers may be exempted temporarily from the whole agreement, or parts thereof;

ARTICLE 6

MINIMUM WAGE DETERMINATION MACHINERY

Minimum wage determinations in the agricultural sector are to be done through:

- Collective agreements;
- Collective bargaining using the Agricultural Labour Forum as the platform;
- Collective agreements are to be gazetted in terms of section 71 of the Labour Act, Act No 11 of 2007.

ARTICLE 7

ADJUSTMENT OF MINIMUM WAGES

Adjustments of the minimum wage in the agricultural sector must be:

- Collectively negotiated by all Parties to the agreement on an annual basis;
- The agreed criteria for determining a minimum wage in the agricultural sector, as contained in Article 4 of this agreement, should be used when establishing an adjustment of the minimum wage;
- Indicators and factors such as, but not limited to the current consumer price index (CPI), inflation rate, economic growth rate, and the prevailing environmental conditions (drought, floods, bush-fires) should guide the parties in the adjusting the minimum wage.

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ARTICLE 8

ENFORCEMENT OF THE MINIMUM WAGE

The minimum wage in the agricultural sector is to be implemented and enforced through:

- Public education and information dissemination by the Parties to members and non-members of the Parties;
- Inspections of the agricultural undertakings and their wage registers by labour inspectors as provided for in section 125 of the Labour Act, Act No 11 of 2007;
- Ensuring compliance with relevant legal provisions;
- Consideration of penalties for non-compliance with the minimum wage;
- Protection of agricultural employees against victimization.

ARTICLE 9

MINIMUM WAGE FOR ENTRY LEVELS OF AGRICULTURAL EMPLOYEES

- The Parties determined the **minimum cash wage** for the entry level of agricultural employees at **N\$ 4.62 per hour**;
- If an employee is by virtue of his or her employment required to live in or on the place of his or her employment or to reside on any of his her employer, such employer must-
 - (a) Provide such employee with such housing, including sanitary and water facilities, as may comply with the reasonable requirements of such employees and, in the case of an employee who is required to live or reside on agricultural land, of his or her dependants, and, as may be mutually agreed by the individual employer and employees. Provide, in addition, to such employee, electricity where available.
 - (b) Permit, in case of an employee who is required to live or reside on agricultural land, such employee, in addition, to keep such livestock and to carry on such cultivation on such land as may be necessary for such employee to provide for the reasonable needs of himself or herself and of his or her dependants; **or**
 - (c) Provide such employee with **food or rations** for the reasonable needs of such employee and his or her dependants and which value should **not exceed the equivalent of 35% of the employee's basic wage**; **or**
 - (d) Provide such employee with an **additional allowance of at least N\$500.00 per month**.

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