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NEWSLETTER

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PREVENTING LABOUR DISPUTES

ELNINO INDUCED DROUGHT EFFECTS

FOCUS ON CBA: OVERTIME

AN OVERVIEW OF SI 191 OF 2024

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CEO's Foreword

Dear Reader,

The end of 2024 birthed a new Strategic Plan, formed under the theme of Innovation, Resilience, Growth. This was in recognition that these individual elements, linked to one another, are necessary for our enduring success and expansion as an organisation. We deliver on our statutory mandate, being peerless in our effectiveness, innovation, and spread across the country. We are arguably the largest organisation of its kind in Zimbabwe, and we have seen recognition through multiple awards. As players in the agricultural industry, we must be collectively proud of all that we have achieved in this year, and indeed in the Strategy period spanning from 2022 to 2024.

We now seek to build on these successes as we align our own strategies to the goals and aspirations of the national development strategies. Therefore, our own organisation's strategic plan will run from 2025 to 2030, and our vision has accordingly been adjusted to agree with the Vision 2030. We recognise the centrality of the agriculture industry to the attainment of an upper-middle income society by 2030. We therefore welcome all our stakeholders to join hands with us and to walk the journey towards being the premier industrial relations and advisory services provider in the agriculture industry by 2030.

Coming out of an unforgiving year defined by drought, it is a relief to be able to say with confidence that we will live to fight another day. NEC Agriculture remains deeply committed to our stakeholders, providing advice and labour administration technical savvy that will see our clients through the toughest times. We have a resilient principal Collective Bargaining Agreement which we strive to conscientize our clients on, as well as keeping you updated on the latest developments in the regulatory sphere. In this edition of our quarterly e-zine, aspects of the principal CBA and the new retrenchment regulations are explained in detail, and we give you a sneak peak into the process followed in coming up with our strategic plan for 2025-2030.

Thank you kindly for your support throughout 2024, and we look forward to innovating, being resilient, and growing together with you in 2025 and beyond!

Yours truly

DAVID MADYAUSIKU

Preventing Labour Disputes Amid Climatic and Economic Challenges: Practical Advice for Employers and Employees

By Esther Chivabvu and Hillary Chirove

As Zimbabwe's agricultural sector grapples with the country's ongoing economic struggles, labour disputes tend to be on the rise. With inflation, the wake of the El-Nino induced drought, and economic instability on the rise, tensions between employers and employees are more pronounced than ever. However, the frequency and intensity of these disputes can be mitigated through proactive strategies that promote communication, fair practices, and mutual understanding.

Here are some practical steps employers and employees in the agricultural sector can take to reduce labour disputes:

1. Dialogue - Promote Transparent Communication

Clear and open communication is the foundation of a harmonious working environment. Employers should prioritize regular engagement with their employees, explaining the business's challenges and changes in working conditions. Being transparent about the economic pressures the business faces can help employees understand the broader context in which decisions are made. Similarly, employees should feel encouraged to voice their concerns in a constructive manner.

To foster this open dialogue, both parties should prioritize establishing workers' committees and work councils. The NEC can aid this process by facilitating elections and providing regular trainings, ensuring a collaborative and productive work environment. These platforms allow dialogue and binding shopfloor level agreements that can assist the business entities to proceed toward a common goal whilst each party is well informed.

2. Timely Payment of wages

Wage disputes remain one of the most common sources of tension in the workplace. It is essential to be transparent about financial constraints and ensure timeous payment of wages. Delays or discrepancies in payments often breed resentment towards the employer among workers, reduce productivity and increase labour related conflicts. The principal CBA of the industry, SI 41 of 2022, stipulates the expected timeframes for the payment of wages, namely on or before the tenth day of every month. Adhering to this timeline ensures a harmonious and productive working environment.

Employers should ensure that wages are at least aligned with collective bargaining agreements that are published by the NEC periodically, usually on the 20th day of every month. It is also encouraged to consider other forms of recognition, such as non-monetary benefits like healthcare, transportation assistance, or skills development programs to motivate employees in these times.

3. Ensure Fair Working Conditions

Working conditions in the agricultural sector can be physically demanding and sometimes hazardous. Employers have both legal and ethical obligations to prioritize the health, safety and well-being of workers. Regular assessments of work environments for

potential risks are crucial, as is prompt action to address any identified hazards. Investment in protective clothing, safety training, and clear reporting mechanisms for unsafe practices can significantly reduce grievances and foster a more productive work environment.

Parties are strongly encouraged to adhere to the provisions of S.I 197 of 2020 which clearly articulates the issue of health and safety at the workplace.

4. Strengthen Employment Contracts

Clear and comprehensive labour contracts are key to preventing disputes. Employers should ensure that all employees have written contracts that clearly outline their roles, responsibilities and all other relevant terms of employment. Contracts should be clearly articulated, comprehensible and compliant with the provisions of SI 41 of 2022 in terms of wages, grades, working hours and contract duration.

It is important to periodically review contracts to ensure they are updated in accordance with any changes in labour laws or business conditions. A written agreement gives both parties a clear reference point, which can help resolve disputes quickly and fairly. NEC agriculture is keen to give the necessary advice and training on the formulation and legal weight of the employment contracts to both employee, management and employers in the industry.

5. Encourage Capacity building

Employers should prioritize training programs that address the labour related issues faced by the agricultural sector. NEC is available to offer training on the Labour Act and the related statutes, productivity, harmonious working environment, occupational health and safety, collective bargaining and negotiation skills, leadership skills, disciplinary and grievance handling procedures among other related fields.

The parties are highly encouraged to utilise this service to ensure productivity does not suffer due to ignorance.

6. Utilize Mediation and Conciliation Services

When disputes do arise, it is crucial to address them promptly and fairly. The National Employment Council (NEC) for Agriculture offers mediation and conciliation services to help resolve conflicts before they escalate into formal legal disputes. Employers and employees are encouraged to make use of these services as an alternative to strikes or lengthy legal battles.

Mediation and conciliation foster open dialogue, help both parties identify mutually acceptable solutions and promote positive working relationships. Early intervention is key to preventing disputes from escalating and causing lasting damage to both employers and workers.

Conclusion

The National Employment Council for Agriculture remains committed to supporting both parties in resolving conflicts and nurturing positive employer-employee relationships. Together, we can navigate economic challenges and build a more sustainable and thriving agricultural sector.

If you are facing any challenges or need assistance, do not hesitate to contact the NEC for Agriculture. Feel free to visit our offices countrywide or emails us on info@necagriculture.co.zw or visit our website at www.necagriculture.co.zw . Our dedicated team is here to help!

Esther Chivabvu is the Senior Designated Agent for the NEC Agriculture and Hillary Chirove is a Front Office Administrator, stationed in Bindura.

NEC Agriculture Crafts Strategy (2025-2030)

By Dumoluhle L. Ndebele

Roger Martin, former Dean of the Rotman School of Management stated that "*Strategy is not a solo act. It's a team sport.*" This quote highlights the importance of collaboration and teamwork in strategic planning. It's not just about one person or department coming up with a plan; it's about engaging stakeholders across the organization to develop a shared understanding of the goals and objectives. This was the reality at NEC Agriculture from the 3rd to the 6th of December 2024 when stakeholders from various walks of life set and deliberated on the strategic direction that the organisation is to take over the next 6 years.

In the process of navigating the intricacies of today's fast-paced business landscape, it's easy to get caught up in the day-to-day operations of our organizations. However, without a clear direction and plan, even the most well-intentioned efforts can fall short. That's where strategic planning comes in – a crucial process that helps organizations achieve their goals and stay ahead of the competition. NEC Agriculture aims to be relevant to its stakeholders and provide highly relevant quality services as shown by the theme innovation, growth, and resilience, which the strategy workshop was held under.



The strategy formulation was held with the facilitation of Parker Russell Strategy, a renowned strategy formulation organization. Representatives for employer organizations and those from employee organizations, and representatives from NEC secretariat gathered to map the way forward for the organization.

Why strategic planning

1. **Direction:** Strategic planning provides direction to the organization and sketches measurable goals. It is from this strategy where day-to-day decisions are made. There are lessons that the organization learnt in the previous strategic period, and these present some stepping stones as to what to embrace and what to avoid. It is the strategy planning that brings out critical questions about business operations and out of that progress can be evaluated and effective changes be made. With strategy in place everyone works towards the same direction.
2. **Future Focus:** Strategic planning affords an organization time to predict and respond to changes in the business environment. It is important to note that a deep scanning of the environmental factors was done and how NEC Agriculture will fit into the future predicted. It is at strategy planning that potential opportunities and threats, are identified.
3. **Operational Efficiency:** Strategic planning provides the organization with the basis for all management decisions. This has the benefit of reducing the potential for wasted resources, missteps, and inefficiencies, thus gearing up decision makers with effective utilization of resources. NEC Agriculture aims to maximize on available resources and provide the most outstanding services to stakeholders efficiently.
4. **Competitive Advantage:** Today's business environment has unprecedented levels of competition. NEC Agriculture is not spared from this. A strategic plan enables NEC Agriculture to foresee the future and to prepare accordingly. Organizations that plan strategically are better equipped to predict the market, anticipate changes, understand competitors, and make decisions that keep them ahead. This is what NEC Agriculture intends to do.

With all these and other benefits, readers are also encouraged to put in place strategies in their various business enterprises. This is likely to bring positive results and differentiation from the competitive business environments.



Conclusion

Participants at the strategic planning workshop unanimously agreed that strategic planning is only important when there is adequate implementation. This dovetails well with Jeff Haden's

view that “*strategy is important, but execution is everything*”. Focus is now on the execution of the strategy.

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Focus on NEC Agriculture CBA: Overtime

By Nomathemba Masuku and Dumoluhle L. Ndebele

A Collective Bargaining Agreement (CBA) is an important document that provides guidelines into terms and conditions of service in a particular industry. For employers and employees in the Agricultural industry, the principal CBA is statutory instrument 41 of 2022 (Conditions of Service and Code of Conduct). This article delves into the topic of overtime and how it is addressed in the principal CBA of the industry.

Numerous cases have been brought before Designated Agents on allegations of unpaid overtime. The aim of this article is to equip employees and employers on better ways of preventing disputes emanating from overtime.

Overtime

Statutory Instrument 41 of 2022, defines overtime as “any time worked outside the ordinary hours of work required in terms of section 8”. A closer look into section 8 of SI 41 of 2022 reveals that the ordinary hours of work for all employees shall not exceed two hundred and eight hours (208) per month, with employees receiving at least one off-day in each week.

How employees accrue overtime

According to the section highlighted above, it can be gleaned that if an employee works beyond the 208 hours per month provided by the CBA, the excess is taken to be overtime.

It is also clear that employees are entitled to a day off in each week. When an employee is required to work on their normal day off, such work becomes overtime work.

- Section 20 of the CBA states that every employee shall be granted leave of absence on public holidays and shall be paid his or her current daily wage for every public holiday. It then follows that, when an employee works on a public holiday, such work is counted as overtime.

It is important to note that employers may request, but shall not require employees to work overtime, and wherever possible, give 24 hours' notice of such work unless it is emergency work.

How overtime is paid

Not all overtime is paid at the same rate. The differences emanate from how that overtime accrued.

- For ordinary overtime, employers shall pay for overtime at one and-a-half times the employee's current hourly rate for the time worked above the 208 hours provided for by the CBA.
- For overtime on a normal day of the employee, the employer shall pay at double the employee's current wage.
- For employees who work on a public holiday, the employer shall pay for every hour or part of an hour of work at two and a half times the current hourly wage of the employee.

Documentation of overtime

It is equally important that all overtime worked is properly documented and agreed by the employer and the employee. This prevents disputes between the parties on whether there was any overtime worked or not. Prevention is always better than cure.

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2024 El-Nino induced drought effects

By Sarafina Shoshore and Tatenda Jena

The current El-Nino-induced drought resulted in massive crop stress and failure because of the effect of the dry weather conditions on normal rainfall and on water resources available for irrigation. The agriculture industry suffered the effects particularly where farmers planted varieties that were not drought-tolerant and were reliant on rainfed agriculture. Already there were drought prone areas, but the drought exacerbated crop failure in many other areas of the country. This in turn led to reduced yields, low quality produce and severe economic loss to farmers.

Effects of El Nino on Labour and Business.

Farming is a business like any other and has operational costs, profit margins that need to be achieved to maintain sustainability of the business, as well as industrial relations that need to be managed to increase productivity in conditions of harmony. The drought was disruptive to work operations in some cases because under the extreme heat, employees faced heat stress, and this caused health problems that lead to absenteeism and reduced productivity. However, this was managed by engagement and compassion where more grievances were handled at the farm and did not escalate to disputes. On the other hand, the employer had the responsibility to provide a safe working environment by implementing new conditions of work, that is the hours of work, starting time and ending time so as not to expose the employees to extreme heat.

The employers had to think outside the box to ensure that the business would continue to operate, and no employees were laid off. They had to make new plans that were friendly to the business and made economic sense to enable them to come back for the next cropping season. By understanding the potential effects of El Nino on employees and employers adopted proactive measures to support their workforce and minimize disruptions. These measures were ferrying the employees to and from work, providing sun hats and flexible working hours that would keep the employees' out of extreme heat.

Lessons Learned

The El Nino induced drought affected crops across the country and this did not spare even the farmers that were irrigating as they needed to control their cycles of watering the crops to manage the available water resources. Moisture control was applied to the wheat that was in the field to try and use less water and save water for the next cropping season. This was different from the normal watering regime in addition to that the dry land Tobacco also has faced the same predicament of low to no rains and the farmers have had to make makeshift pivots to ensure that the crop does not stress too much. The small-scale tobacco farmers have had to use ox-drawn carts as the irrigation system, by loading drums and attaching hosepipes to ensure that the plants get water enough to maintain moisture until the rains come.

Diversification of crops, by planting crops that help in reducing crop failure and weather-related events at the same time they have adopted crop insurance. Crop insurance assists in providing financial protection to farmers in the event of crop failure as was premised by the El Nino. And lastly by adopting climate -smart agricultural practices such as conservation farming which we have adopted as the Pfumbvudza -Intwasa program which retains moisture for a long time, and Agro forestry, which is the agricultural land management practice of growing trees and crops together.

Customer Engagement

As NEC Agriculture we constantly engage with our clients on best practices of managing employer-employee relations in farms. This was done through trainings on various statutes that govern the industry to maintain harmonious industrial relations as well as promoting good workplace environment. As a result of this the parties were able to come up with agreed views on maneuvering the difficult time of the El Nino induced drought to make sure there is no to low job losses cause by the drought effects. The workers committees, management and the entire farm employees were trained in all regions.

Remittances

As NEC Agriculture, our operations are supported by dues that are remitted by farmers in terms of S.I. 96 of 2024. It's safe to say during the El Nino drought it was difficult to make sure that the dues would come timeously. It was with constant dedication and communication with stakeholders on the importance of the dues remittances and paying them on time that would ensure that services to them are prompt and par excellence.

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An overview of SI 191 of 2024

By Esther Chivabvu, Sarafina Shoshore and Tonderai Matanda

Labour amendment 11 of 2023 introduced significant changes to the retrenchment process in Zimbabwe through the amendment of section 12C of the Labour Act. The promulgation of the Labour (Retrenchment) Regulations [SI 191 of 2024], which were gazetted by the Minister of Public Service Labour and Social Welfare on the 6th of December 2024, aimed to address the gaps left in the retrenchment framework in Zimbabwe. The main aim of the retrenchment procedure is to strike a balance between the protection of employees' rights and livelihoods on one hand and providing operational flexibility to the employer on the other hand to cope with a changing business environment. SI 191 of 2024 has 4 key matters that it addresses pertaining to the issue of retrenchment. The purpose achieved by the Regulation is to clarify the law regarding the Retrenchment Board, its composition and jurisdiction, as well as clarifying what the minimum retrenchment package is.

1. Retrenchment Board composition

This is the body under the Labour Act that has been empowered to consider and approve retrenchment notifications, including approving agreed retrenchment packages provided that they are better than the minimum retrenchment package.

It is composed of: -

- 3 persons from the Ministry of Public Service, Labour and Social Development, with one member holding the position of Chairperson.
- 1 person responsible for Finance matters, who is also nominated by the Minister
- 1 person for Industry and Commerce who is also nominated by the Minister
- 2 persons from recognised Employer Organisations
- 2 persons from recognised Trade Unions

To note is that members of the Board will sit for a term of four years renewable once.

2. Responsibilities of the Retrenchment Board.

The amendment prescribes the responsibilities of the Retrenchment Board, and these are in accordance with the Labour Act as amended, namely:

- Resolving retrenchment disputes
- Recommend retrenchment policies that are fair
- Ensuring compliance with retrenchment procedures

3. Setting minimum retrenchment packages

This has been set at one month's wages for every year of service. Where the party has served for less than a year they are paid one month's wages in the case of retrenchment. This is a change from the formula of the previous Section 12C of the Act, which provided for a minimum retrenchment package of one month's salary or wages for every two years worked.

4. Forms applicable to the retrenchment process.

The Statutory Instrument provides the prescribed forms which employers and persons affected and involved in the retrenchment process should use. These are, specifically, LRR1, LRR2, LRR3 and LRR4 forms.

- LRR1 Form – Intention to Retrench.
- LRR2 Form- Certificate of Retrenchment
- LRR3 Form -Non-Compliance Certificate
- LRR4 Form- Prosecution Certificate

5. Repeal of Labour Relations (Retrenchment) Regulations 2003 (SI 186 of 2003)

The regulation further signals the repeal of the Labour Relations (Retrenchment) Regulations, with the effect that it is the sole regulation under the Labour Act governing the retrenchment procedure regardless of the number of employees affected.

The new regulation is a welcome development resolving the problem of the minimum retrenchment package and bringing the provisions of section 12C of the Act to finality.

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