

AFRICA LABOUR RESEARCH NETWORK

**ZIMBABWE
(SHOPRITE)**

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Zimbabwe Congress of Trade Unions**

September 2003

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1. General Characteristics

1.1 Presence in the country

Shoprite Zimbabwe is a retail supermarket that sells foodstuffs and household wares. It is located in Bulawayo, the second largest city in Zimbabwe. It was established and began operation in 2000. There is only one Shoprite branch in Zimbabwe. There are no current plans to open new branches. This could be the result of the harsh and unstable socio-economic and political environment that is not conducive for business investment and expansion. The supermarket has quite a number of local competitors who are in the retail market for foodstuffs and non-foodstuffs. These are mainly OK, Thomas Meikles and Spar supermarkets. However, Shoprite has quite a significant share of the local market, (mainly in Bulawayo), this has been the result of Shoprite being able to supply foodstuffs and detergents that have been in short supply in Zimbabwe, for example; mealie-meal, cooking oil, sugar, washing detergents and baby products. However, the market share of Shoprite Zimbabwe in the whole of the retailing industry in the country is still insignificant.

1.2 Employment

Shoprite Zimbabwe employs between 60 to 70 employees. The variation in total employment is a result of changes in the number of casual employees. Approximately 35% of the total number of employees are permanent workers, with 65% being casual employees. Women represent about 60-65% of the total number of employees, with the majority in casual labour and in the lower grades of employment. The supermarket has not increased the number of permanent employees significantly in the past three years since its establishments, although there have been new contracts drawn for casual employees. More than 90% of the total staff is unskilled labour (non professionals), whilst less than 10% are professionals with qualitative qualifications. The supermarket 'employs' subcontracted labour for cleaning, repairs and maintenance of office equipment and shop machinery i.e. computer tills. Employees under these contracts are not employed directly by Shoprite but through their own companies. Shoprite pays for services rendered to the suppliers of these services.

The supermarket acknowledges that it is currently under staffed and intends to employ more employees. However, management is projecting that the supermarket will probably employ more casual labour, although these new employees will have to have retail qualifications. The projected number of permanent employees in the next five years remains very uncertain and will depend on the supermarket's performance and the environment in Zimbabwe, which is unpredictable. The corporate management of Shoprite has stated that despite the failing local economy, Shoprite is not currently contemplating withdrawing from Zimbabwe, hence, there is no hanging threat of the shop closing and hence, job losses of the local people. Shoprite also has backward and forward linkages between the local suppliers and customers. The supermarket imports more than 30% of its products from the Republic of South Africa but still buys local products such as fruit, vegetables and other non-food household wares for sale.

1.3 Profit and Turnover

Shoprite Zimbabwe has been highly publicised as managing to more than break even in terms of profit turnovers. Unfortunately, profit figures are labelled as classified information and are not available to the public. However, because the supermarket uses the mark up pricing system, costs are often passed onto the consumer, hence profit will depend on total sales rather than independently on the price. Again, stock market indicators reveal that retail outlets are not performing badly as compared to other economic sectors. The management at Shoprite is optimistic that that Shoprite Zimbabwe will be much more profitable and viable in the future.

1.4 Management Structure

From the interviews conducted, many employees and some of the lower rank managers do not have in-depth knowledge about the linkages of the local Shoprite supermarket to those in the region.

However, Shoprite Zimbabwe has an Operations Manager that communicates directly with the corporate management. The Operational Manager has the task to disseminate information between corporate management and the national management. The national management is responsible for running the daily operations of the local branch, whilst decisions on expansion and investment are mainly made by the corporate management. However, national legislation, legislation on investment (investors), the Companies Act, the Labour Act set out the standard framework in which the supermarket operates. Nonetheless, this does not mean that corporate management makes the all-important decisions. The national management has the power to recommend suitable operational procedures based on the local socio-economic environment.

1.5 Labour Relations

The most active trade union within the supermarket is the Commercial Workers Union of Zimbabwe, (CWUZ), an affiliate union of the Zimbabwe Congress of Trade Unions, (ZCTU). There is another competing trade union, the Zimbabwe Federation of Trade Unions, (ZFTU), however, this trade union is not active within the supermarket. The labour standards and /or terms of employment are determined by the Labour Act and the general conditions of service agreed upon in the Collective Bargaining Agreement (CBAs). Both management and the trade union (CWUZ) agree that relations between them are amicable which is both to their advantage. Since the establishment of the supermarket there have been very few labour disputes, but none have been resolved through industrial action or legal suits. Labour disputes have been handled through dispute settlement procedures between the union and the management. Methods often used for dispute settlement are conciliation and mediation. So far, none of the labour disputes have been resolved through arbitration. However, this 'amicable relationship' should not be taken as the reason there has not been any industrial action or legal battles, as Shoprite has not been operating for long enough in Zimbabwe for the analysis to be conclusive.

The Labour Act specifies that if 50% or more of the employees belong to a specified trade union, then a Workers Committee must be formed by that trade union's members, hence the Shoprite Workers Committee be formed by workers who are CWUZ

members. Workers are still in the process of formulating other workers committees, i.e. the Health and Safety Committee, according to the Labour Act.

1.6 National Labour Legislation

Zimbabwe has ratified all eight ILO conventions. The main challenge currently lies in the implementation process of the conventions. There is currently, no legislation that enforces all the ratified ILO Conventions. However, minimum labour standards are stipulated in the Labour Act of 2002 (after the completion of the harmonisation of the Labour Relations Act in 2002). However, sectorial National Employment Councils, (NECs), negotiate codes of employment. To some extent, these pieces of legislation can be used to implement ratified ILO Conventions. Unfortunately, since the liberalisation of the labour market in 1990, there has been an increase in labour market flexibility. Employment has greatly shifted from permanent employment to contractual employment, part-time employment, and casual labour. Unionisation is not encouraged and the strength of the unions has been greatly eroded. Unfortunately, most if not all casual labour is not unionised.

Labour Relations

2.1. Freedom of Association

The Labour Act specifies that workers have the right to be a member or an officer of a trade union. The Act further specifies that the employees have the right to engage in lawful activities of the trade union for the advancement or protection of their interests. This section of the Act is drafted within the framework of the ratified ILO Convention for Freedom of Association, (stated in the Labour Act). It also provides a legal framework in which workers and employees can bargain collectively for the improvement of working conditions and calls for fair labour standards.

The management at Shoprite feels that it abides by this legislation as it allows workers access to union membership with CWUZ. CWUZ is 'allowed' to recruit members from Shoprite. The union is also allowed to distribute flyers and reports on union activities. The local trade union office acknowledges that management does indeed allow it these provisions. Ninety six percent of employees concluded that there is freedom of association and workers are not victimised for taking part in trade union activities. Unionised employees are given time off from work to participate in union activities for example; to attend seminars, workshops, meetings and labour forums.

2.2 Collective Bargaining

Collective bargaining is held at two main levels, shop floor negotiations and national-industry level. Collective bargaining is conducted within the provisions of the Labour Act. Collective Bargaining Agreements (CBAs) should at least present the minimum labour standards as provided for in the Labour Act, but trade unions can negotiate for better terms of employment. Commercial sector CBAs, once registered with the Ministry of Labour become law and binding in the commercial sector. Both parties, labour and the employer should conform to agreed outcomes. If conditions stipulated

in the CBA become inconsistent with the Labour Act, unreasonable, unfair or inequitable, then parties can re-negotiate to amend the CBA.

Since Shoprite begun operations in the country, the trade union has not launched complaints about non-compliance by Shoprite to collective bargaining agreements. Shoprite has adhered to all provisions registered under collective bargaining agreements. However, whether employees are always fully satisfied with the CBAs is a totally different issue. Again, the collective bargaining process is not always transparent. Management does not provide all the required information to the trade union nor the employees. Company performance and profitability is considered to be classified information. The trade union always faces the disadvantage of information asymmetry. In instances where management has provided some information to the trade union, it is rarely timely and the union does not have adequate time nor the capacity to effectively use the information for collective bargaining purposes.

2.3 Protection of Trade Unionists

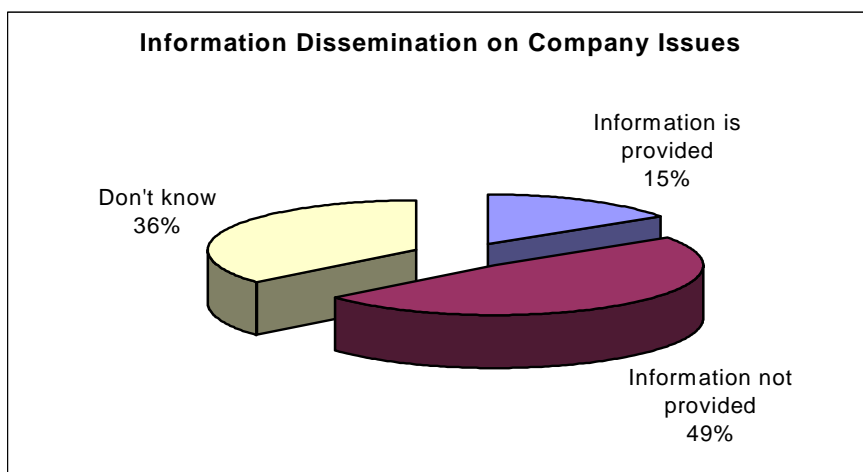
The national legislation tries to cover the protection of trade unionists under the provisions of; freedom of association, protection of employees' rights to democracy in the workplace and the right to form trade unions. In general, these provisions state the rights of trade unionists, i.e. to protect and defend workers interests without prejudice. However, the national legislation does not clearly specify the rights of trade unionists outside those of discrimination and the right of freedom of association. The government has introduced repressive laws that have violated the rights of trade unionists for example the Public Order and Security Act (POSA), which discourages trade union activities i.e. trade unionists need to seek permission from the authorities in order to address members and conduct trade union workshops, seminars and to take part in a collective job action.

Shoprite has not been reported for violating the rights of trade unionists nor are workers discriminated for being trade unionists.

2.4 The right to information

The Company's Act provides private companies with the right not to disclose financial reports and strategic company issues. The Labour Act does not provide trade unions the right to access classified information. However, a clause in the Labour Act on unfair practices by the employer specifies that employers should negotiate in good faith. This clause is not adequate enough to promote information dissemination of strategic company issues.

There are provisions within the national labour legislation and in CBA agreements that workers can employ in order to get strategic information on issues of; restructuring, retrenchments and new technologies. It therefore follows that, '...every employer should ensure that, at the earliest possible opportunity, employees are kept informed of and consulted with regard to any major changes in production, programmes, organisation or technology that are likely to entail...retrenchment'. Unfortunately, this excludes provision of information to employees which is not necessarily related to retrenchment issues, but to improving employees' working conditions.



Source: Compiled from questionnaire responses

Forty nine percent of the employees concluded that Shoprite management did not provide workers and the trade union with information on strategic company issues. Thirty six percent of the workers did not know whether management provide relevant information. This also revealed another dimension that there is unsatisfactory information dissemination, not only from Shoprite management, but also by the union. Only fifteen percent of the workers felt that management did provide information on strategic issues. The local CWUZ felt that the management did not always provide information on strategic company issues, unless the union asked for it. Information is rarely given on time and often, the information does not encompass all the issues under review. This will greatly undermine the role of the trade union and ultimately weaken workers' rights.

Labour Conditions

3.1 Basic Rights

Zimbabwe has ratified all the eight ILO Conventions. The national labour legislation makes occasional reference to the ratified ILO Conventions. By the end of the year 2000, the Zimbabwean government had ratified a total of 19 ILO Conventions. However, it should be noted that the ratification of these conventions does not necessarily mean that they are being fully implemented in the country or enforced by the national legislation.

3.1.1 Child Labour

The national legislation before amendments were made in 2002, specified that no contract of employment would be enforceable for persons under the age of 16. After the amendments, the national legislation now enforces that no employer will employ a person below the age of 13 years even for apprenticeship, (13 years is the minimum age for apprenticeship), whilst for all other forms of employment the age limit is 15 years old. To some extent there has been a slight slacking in the legislation on child labour.

Shoprite Zimbabwe does not employ child labour. The youngest employees' age ranges between 16 to 18 years. Hence, the supermarket does abide by the national

legislation on child labour. However, the supermarket does not require that its local supplier abolish child labour nor does it discriminate between the purchase of supply on the grounds of suppliers who do or do not use child labour. Despite this lack of policy on child labour (in the supply chain), child labour in Zimbabwe is still rampant in the informal and agricultural sectors, sectors that are suppliers of Shoprite's agricultural products. There is some form of ignorance as regards indirect employment of child labour.

3.1.2 Forced Labour

Zimbabwe ratified the ILO Convention on the abolishment of forced labour in August 1998. However this was not incorporated in the national labour legislation until December 2002. In the new Labour Act, distinctions of forced labour are listed, but there is still a lot of groundwork to be covered. It is still too early to measure the extent to which this piece of legislation has alleviated the problem of forced labour in Zimbabwe. Nonetheless, there has been no report of forced labour, neither has Shoprite been accused of using forced labour. There is still a lot of speculation around forced labour that needs to be investigated.

3.2 Discrimination

National legislation on discrimination is very well written. New clauses have been added in terms of defining discrimination based on race, gender, disability, political opinion, tribe, religion, pregnancy and the place of origin. Employers are obligated to pay the same remuneration to both male and female employees for equal work. Today, discrimination in terms of employment and remuneration amongst the different races in Zimbabwe has since seized to be a quandary that needs to be urgently addressed. Nonetheless, any degree of racism should never be undermined.

The trade union has not complained about discrimination of workers by Shoprite management. Shoprite does not have an active company policy on affirmative action. Employment is not based on race, gender, disability and religion. None of these are given preference or special reference in terms of employment engagement or promotion in the company.

However, the problem of how to detect discrimination remains prevalent. Discrimination can be easily covered up and presents a great challenge that the trade union needs to overcome. For example, HIV/AIDS remains a very sensitive issue and is taken as a stigma amongst the local people, hence, it is rare for an HIV/AIDS infected employee to step up and fight against discrimination in the workplace.

3.3 Labour Regimes

Zimbabwe has ratified the following ILO Conventions:-

- Minimum wage, (Convention 1928 No. 28)
- Equal remuneration, (Convention 1951, No. 100)
- Paid educational leave, (Convention 1974, No. 140)
- Chemicals convention, (Convention 1990, No. 159)
- Vocational rehabilitation and Employment, (1983, No. 159)

All labour conditions are enshrined in the Labour Act and in sectorial collective bargaining agreements.

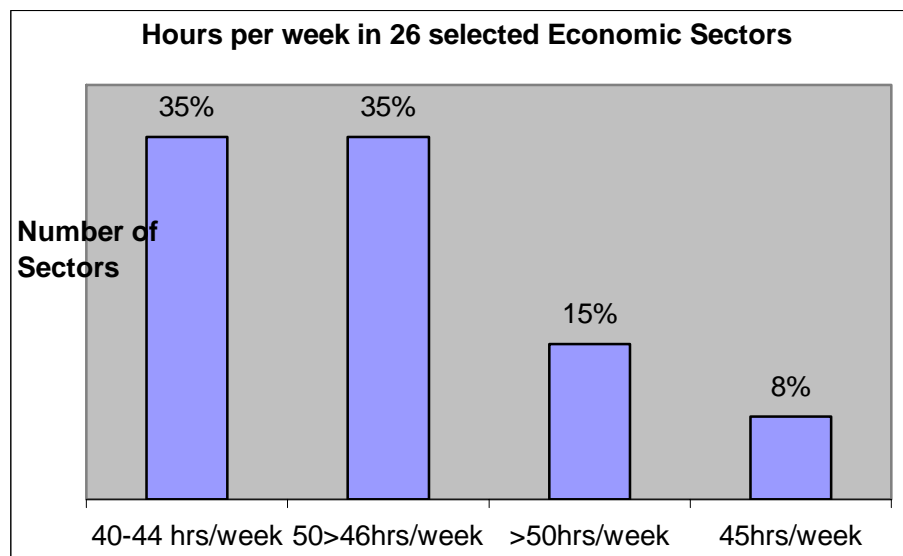
3.3.1 Wages

Wages are determined at the national-industry levels in collective bargaining agreements. Wage negotiations are held three times a year for the commercial sector. This is inclusive of a cost of living adjustment. Wages for Shoprite employees are therefore determined by the outcomes of these industrial negotiations. Occasionally wages can be determined at the Tripartite Negotiating Forum, (TNF). Wages passed at the TNF become the national minimum wages, but affiliate unions can re-negotiate for higher and better wages in NEC negotiations. Every employer is obligated to pay all employees the legislated minimum wage (given for each sector in the economy).

Zimbabwe has a volatile economy with inflation rising everyday. Inflation stood at 399.5% as at July 2003. This has eroded the small incomes earned by already struggling workers. Real wage trends indicate a significant decline in wages. The Poverty Datum Line, (PDL) in Zimbabwe stands at ZW\$104,000 for a family of five. The minimum wage for the commercial sector was ZW\$47,696.00 as at June 2003. This means that workers were earning a wage that was only 46% of the PDL! This is also the same line for employees employed by Shoprite, (wages for Shoprite employees are determined at the industrial level and not at the shop floor level). More than 70% of Shoprite’s employees are earning a wage below the PDL. Wages are failing to improve the living standards of the employees. Another disparity in Shoprite is the widening income differentials between the highly and lowly paid workers. What this trend suggests is that, the burden of adjustment is falling disproportionately on the lower echelons of the earnings structure. Again, casual employees remain worse off, not only in terms of general employment conditions, but also because they are the least paid employees in Shoprite Zimbabwe.

3.3.2 Working Hours

Collective bargaining agreements specify the maximum hours of work for each sector in Zimbabwe. The collective bargaining agreement for the commercial sector specifies that the maximum hours of work is 45 hours per week.



Source: Collective Bargaining agreements, 2002

An analysis of 26 selected sectors (all represented by ZCTU affiliate unions), reveals that collective bargaining agreements in more than forty three percent of the sectors agreed to work more than 40 hours per week, thirty five percent of the sectors have more than 50 hours per week as the maximum working hours. This is much more than the 40 hours prescribed by the ILO.

Seventy five percent of the employees at Shoprite work at least 45 hours per week. Shoprite does sometimes require its employees to work overtime. However, overtime is not voluntary, and is management's decision. Sixty eight percent of the employees opted not to have overtime as it is not well remunerated. Employees who work overtime during normal working days are paid one and half times the hourly rate, whilst employees who work overtime on public holidays are paid double the hourly rate.

Casual employees are often the workers who take on more overtime work, as a means to increase total earnings. Overtime in the commercial sector is working during weekends (Saturdays and Sundays) and public holidays. Contract workers are usually the employees that work on weekends. This might reflect workers' rights disparities between the casual and permanent employees. Unfortunately, casual and part-time employees are not unionised and are not covered for adequately in the Labour Act and are excluded from collective bargaining agreements on general conditions of service for employees.

3.3.3 Health and Safety

Under the new Labour Act, employees have the right to be part of the Health and Safety Committee at the shop floor level. There should be at least a 50%: 50% representation of management and employees in the Committee. This Committee has the responsibility to draft a Health and Safety code or policy document that is suitable/ relevant to the working environment of the company.

Shoprite Zimbabwe currently does not have a Health and Safety Committee. The trade union is still waiting for both Shoprite management and employees to nominate committee members. However, the trade union commented that there is a lot of ignorance in terms of health and safety requirements in supermarkets. Management and to some extent workers do not see the real need of a Health and Safety code in a supermarket. Health and Safety is often associated with heavy machinery, chemicals, and jobs classified as dangerous and risky.

3.3.4 Training

The national legislation is not clear in terms of providing training for employees. Some sectors have managed to negotiate for educational paid leave and educational allowances in their collective bargaining agreements, however, these are not provided for in the commercial sector's collective bargaining agreement.

Training often refers to in-house training so as to equip workers with new skills to enable them to carry out their work. Vocational and skills development training is not stipulated in the collective bargaining agreement. Despite measures that employers are urged to undergo vocational training and skill development to avoid possible retrenchment, such as retraining, there are no specifications for management to be responsible for training.

Shoprite does not advocate that workers undertake vocational and skill development training. Since the inception of the supermarket, the only training that has been undertaken by workers is:

- Training of new employees; and
- Training of till operators to use computerised tills

The management makes all in-house training decisions. These decisions are not made with any contribution from the union. 68% of the employees did not know whether the company offered training opportunities for employees. Employees deem that they do not have equal training opportunities. Nonetheless, workers can apply for loans (educational loans) which are payable after a one year period. Only ten percent of the total number of employees had information about how to apply for an educational loan. An employee willing to undertake vocational or skills development training can seek a loan from the company. The employee is required to get a quotation from the educational institute, seek a letter of recommendation from the supervisor then put in a formal loan application. It is not always guaranteed that an application will be approved. Approval is based on the wages earned by an employee and the ability of the employee to pay back the loan. This loan is not available to casual employees.

3.3.5 Maternity Leave

The commercial sector collective bargaining agreement specifies the conditions for maternity leave as stipulated in the national labour legislation, (the Labour Act). Shoprite's permanent female employees may proceed on maternity leave upon submission of a certified document from a registered nurse specifying that she is pregnant and the following conditions apply:

- She will be entitled to start her leave not earlier than the forty fifth day and not later than the twenty first day prior to the expected date of delivery, (the total number of maternity leave days is ninety days);
- She is entitled to full months pay for the ninety days maternity leave, (only if she has served for more than one year) and is entitled to only three maternity leave period per employer;
- She is given three months maternity leave, if she needs more days, she forfeits her wages and sick leave may not be granted during paid maternity leave;
- During her maternity leave period, her normal benefits and entitlements at works continue uninterrupted;
- After the maternity leave is over, the female employer is allowed an hour a day of the normal working hours per day for nursing. She may combine this nursing time with other breaks, (lunch and tea breaks) so as to constitute longer nursing periods. She is entitled to these provisions for the period required to nurse her child or for six months, whichever is lesser.

Casual female employees and permanent female employees who have served for less than a year will be granted at their request ninety days for maternity leave without pay. It is important to point out that trade unions can negotiate for more favourable maternity leave conditions in the collective bargaining agreement.

3.3.6 Sick Leave

Sick leave conditions for all sectors are provided in the Labour Act. Shoprite applies the provisions in the labour act to govern its policy on sick leave. Sick leave is granted to any Shoprite employee that cannot carry out duties at work because of poor health, or because the employee has incurred an injury or has undergone medical treatment. Employees are entitled to a ninety-day sick leave during any one-year of service to an employer. If an employee uses all the ninety paid sick leave days, he/she can apply for ninety more days on half pay, (the employee will need to get a certified document from a registered medical practitioner to support this). The medical practitioner should be able to guarantee that the employee will be able to return to work after the leave. Nonetheless, the employer can terminate employment without notice after an employee's sick leave exceeds one hundred and eighty days.

Provisions in the Labour Act for sick leave are not applicable to casual employees (which constitute sixty five percent of Shoprite's employees). If a contract employee falls ill, they can request for sick days without pay. However, Shoprite's management emphasised that any employee either casual or permanent would be taken to a medical practitioner if he/she fell ill at the workplace with expenses paid by Shoprite. Nonetheless, Shoprite does not offer medical aid schemes for all its employees. This is not stipulated in the commercial sector's collective bargaining agreement, hence, Shoprite is not obligated to contribute to employees' medical schemes.

3.3.7 Pension Schemes

Shoprite does not offer its employees pension schemes outside the compulsory national social security pension scheme provided by the National Social Security Authority. Government introduced the compulsory pension scheme with a vision to provide workers and their families against contingencies. It is compulsory that all employees contribute to the scheme, regardless of whether an employee is covered by a private pension scheme or not.

Each employee pays a contribution of three percent of the employees insurable earnings, up to a ceiling of ZW\$48000.00, (as determined by the Minister of Finance as at 31st August 2003). The employer also contributes 3% of each employee's insurable earnings not exceeding ZW48, 000.00, hence a total of six percent is paid monthly towards the scheme. Insurable earnings refer to an employee's wages that excludes other private pensions, payment from shares/stock under a profit sharing scheme and other employment benefits.

The workers' contributions are deducted directly from their wages. All Shoprite employees (both casual and permanent workers) contribute towards the scheme. The benefits that should accrue from this pension scheme are:

- Retirement grant;
- Retirement pension;
- Invalidity grant and pension;
- Funeral grant;
- Survivor's grant and survivor's pension;

Members or survivors, subject to meeting qualifying conditions, may collect these benefits.

3.3.8 Vacation Leave

Shoprite offers the basic provisions for vacation leave days to employees as enshrined in the national labour legislation. An employee is entitled to at least a twelfth of each year of service. If an employee is granted vacation leave days less than those provided in the Labour Act, he/she is entitled to *cash in lieu* (of forfeited vacation leave days). Casual employees do not have vacation leave days. They are paid a wage for exactly the number of days that they report for work. Nevertheless, all employees can apply for special leave days:

- To attend a court hearing;
- To attend to family/private matters, (e.g. a funeral);
- Attend trade union activities;
- If an employee has been detained for questioning by the police;

However, casual employees will not be paid during special leave.

4. Reorganisation/ Restructuring/Relocation

Shoprite Zimbabwe has only been operating in Zimbabwe for the past three years. There is only one Shoprite branch and there are currently no plans for restructuring, reorganisation and relocation. The supermarket has not retrenched any employees during the few years of its operations in Zimbabwe, and the management does not have plans to retrench workers in the near future. Unfortunately, there is very little or almost no information dissemination by management to the union in terms of developmental, investment and expansion plans.

4.1 Labour Flexibility

The introduction of labour market flexibility in Zimbabwe during the implementation of the Economic Structural Adjustment Programme, (ESAP) in 1990 has since lead to the intensification of the labour market flexibility. The global trend has been to liberalise the labour market in order to reduce labour costs. The Zimbabwean government argues that liberalising the labour market is necessary for promoting competition amongst firms, hence growth in the long run. More so, government argues that for firms to survive, there is need for functional flexibility, which refers to the internal labour market of the firm. ESAP advocated for the flexibility of working practices and job structures.

Local firms are being 'forced' due to competition from imports arising as a result of trade liberalisation, to restructure their internal operations. In order to improve on quality and efficiency, firms are now introducing new technologies. The introduction of new technologies has meant that new forms of work organisations be adopted. Work reorganisation has resulted in loss of jobs through retrenchment, downsizing or rationalisation or closure of some companies, which have difficulties introducing new technologies. In the retail sector, new technologies are often new computers, new computer packages, improvements in managerial skills and operations.

Labour market liberalisation in Zimbabwe also brought with it the use of non-standard forms of employment such as casual, contract and seasonal labour. Many employers now prefer to employ casual employees and less permanent workers. Such a shift in

the preference of firms' labour requirements has resulted in a number of workers losing basic labour rights. At the same time, the number of workers employed on a permanent basis continues to fall, and this has serious effects on the strength of the working class. Employers, by employing non-permanent workers are avoiding incurring additional labour costs such as housing, pension payment and other employment benefits.

Trade unions are being weakened as they continuously lose their membership through retrenchments, casualisation and contract employment. The weakening of the trade union threatens to lead to poor collective bargaining agreements.

5. Environmental Policy

National legislation on the environment has thirty-three Environmental Acts (as at June 17, 2003) that promotes sustainable growth and development. The main objective of the environmental laws is to encourage environmentally responsible investment, growth and development. Unfortunately, the legislation of environmental policies in Zimbabwe does not mean they are being implemented. Zimbabwe still intends to promote '...environmentally-sustainable development, that does not inhibit economic investment in the country'. Unfortunately, this compromises the extent to which environmental legislations govern investors' activities, investors such as Shoprite. Though many conservation strategies have been drafted, (for example the National Conservation Strategy that recommends ideal strategies for resource management, the Clean Up Zimbabwe Campaign- the campaign on cleaning up waste and rubbish) these are not legal documents and do not affect the current environmental laws.

Environmental laws in Zimbabwe are specific only to the protection of natural resources, natural processes, the ecosystem and wildlife. Nevertheless, government has redefined 'environmental' to include biophysical, economic and socio-cultural aspects. Despite this broad definition that is all encompassing, environmental laws (contained in the Environmental Act of Zimbabwe) do not bind investors in the commercial sectors who have not invested directly in these sectors, i.e. sectors such as mining and manufacturing, hunting, forestry, fishing, medicine e.t.c. Hence, Shoprite Zimbabwe does not have direct obligations to preserve the local environment. Nonetheless, there are environmental laws that the supermarket can observe and implement as company policy or request that its suppliers observe. These Acts can include the: -

➤ **Food and Food Standards Act:**

This Act specifies the standards and quality of food for both exportation (exporters should meet the stipulated global standards – as reflected in trade agreements), and internal consumption. Suppliers and producers of food are also required to provide consumers with all information regarding quality (standards) of foodstuff so that consumers can make informed decisions and choices in the purchase and consumption of foodstuffs. All foodstuffs that are not consumable should be destroyed;

➤ **Communal lands Act:**

This provides for the protection of communal lands from overgrazing, deforestation and the use of improper farming methods;

➤ **Water Act:**

This act controls the use of water above and below the surface. The act also prohibits water pollution.

➤ **Hazardous Substances and Articles Act and Atmospheric Pollution Prevention Act:**

These two Acts provide producers and suppliers with the minimum standards for the production, manufacturing, packaging, distribution, 'handling' and the disposal of hazardous chemical substances

This list of Environmental Acts is not exhaustive. Despite these environment laws, Shoprite Zimbabwe does not have an environmental policy. However, the supermarket does have internal company policies that could lean towards the environment. These are:

- The supermarket is to be kept clean at all times. The supermarket needs to conform with international hygiene standards set by the corporate management;
- The area around the supermarket (outside) is to be kept clean at all times with rubbish disposed of carefully;
- All goods that have exceeded their expiry date (foodstuffs), ought to be destroyed.

6. Social Obligations

Foreign investors do not have the obligation to promote local social activities. However, Shoprite Zimbabwe does contribute to some social activities in Bulawayo. The supermarket contributes funds to a local football club and a golf club. It also occasionally funds social football matches. The supermarket also donates foodstuffs, non-foodstuffs and household wares to local charities.

7. Summary

There is only one Shoprite branch (supermarket) in Zimbabwe, which operates in Bulawayo. It has a reasonably sized market share in the town but is insignificant in the whole country. More than 15% of the total products sold in the supermarket are imported from South Africa. The supermarket currently has no plans to relocate, expand or to downsize. The national management makes most of the operational decisions whilst the corporate management makes decisions on investment, expansion and development. However, there is little information dissemination in the supermarket, not only from the national management to the workers (and the trade unions) but also from the cooperate management to all national managers. This resulted in some of the managers failing to answer comprehensively to questions asked by the questionnaire and the interviewer, whilst employees were not aware of some company policies or perceptions regarding labour relations in Shoprite Zimbabwe.

The supermarket employees sixty to seventy employees, and this is quite a sizeable number of employees for a single supermarket branch (in Zimbabwe). However, Sixty five percent of the total employees are casual workers and are not unionised. Most of these workers are women. The supermarket is expecting to employ more workers, however, these will be more qualified but still casual employees. The

management at Shoprite sees this as necessary to cut down on labour costs. Since the deregulation of the labour market in 1990, labour market flexibility has intensified. Employers now prefer to employ casual, contract and seasonal employment. The Labour Act does not adequately cover casual workers and this lessens the employer's responsibility towards the workers. Again it cuts down on the costs borne by the employer in the event that the supermarket relocates, reorganises its operation or decides to retrench workers.

The national labour legislation, the Labour Relations Act was amended in December 2002. The Labour Act now governs the labour market in Zimbabwe. Whilst the Labour Act has commendable adjustments and additions, workers have lost out in other areas.

Gains include: -

- The inclusion of better provisions for maternity leave. Unfortunately casual female workers are excluded from these new benefits;
- A clause on sexual harassment was included in the Labour Act;
- Some of the gender issues in employment were addressed, such as; equal pay for equal work, prohibition of discrimination based on gender, sex or pregnancy and affirmative action in recruitment;
- The definition of discrimination has been broadened to include discrimination against gender, (not sex) and discrimination against employees infected by HIV/AIDS at the workplace, or the employment based on ones HIV/ AIDS status;
- The legislating of the ILO Convention on Child Labour (S.I. 72 of 1997) and the inclusion of a clause prohibiting forced labour.

Shortcomings of the Labour Act are that: -

- Public sector workers are not completely covered by the Labour Act, the Minister of Labour, Public Service and Social Welfare has discretionary powers to recognise freedom of association for state employees.
- The Labour Act restricts employees' right to strike or take part in a collective job action;
- Casual and contract workers are only provided for in the Act as far as the terms of contract termination, but are thereafter not covered;
- The Act fails to adequately recognise freedom of association, for example protest action is not provided for in the Act;
- The clause on retrenchment is poorly written and is rather confusing, for example, if an employer plans to retrench less than five employees, the employer is not obligated to abide by the provisions on retrenchment in the Act, but to negotiate with the Workers Committee, a system that has failed to work in the past and has left workers much worse off;

Despite the fact that the Labour Act has left a lot that is much desired by workers, Shoprite Zimbabwe has managed to conform to most of all the provisions in the Act and to those in the commercial sector's Collective Bargaining Agreements. However, because the majority of its employees are casual workers and are not unionised, a lot of these workers' rights have been violated. They remain repressed and have very limited benefits in their terms of employment. They are denied the most basic of working conditions given to permanent employees such as paid sick leave, paid

vacation or special leave, educational loans, trade union representation and so on. Employers have recognised the ‘advantages’ in employing casual labour and are taking full advantage of it. Unfortunately, in Shoprite’s situation, women seem to be suffering the most, as they constitute the greater part in this type of employment. Remuneration also remains far below the Poverty Datum Line, (PDL) and there is very little that can be done to increase these earnings.

Training provisions to improve the human capital base is almost non-existent in Shoprite. Workers do not have adequate information as to how to access company funds for vocational training and skill development. Information asymmetry is rampant and there seems to be very little communication between the trade union and the management. More so, there is no communication between the local trade union and the corporate management. This means that major decisions are made in the absence of workers and without consultations. Labour relations between the trade union and the national management might be satisfactory now, but can easily turn sour if some of these oversights are not recognised and addressed.

Foreign direct investment is viewed as crucial to national economic growth and development and the country’s strategies and policies on social and environmental protection are usually compromised so as to increase investment. Many firms that are investing in Zimbabwe are not obligated to abide by set environmental laws.

In conclusion, whilst it is important that countries ratify ILO Conventions to improve working and living conditions of employees, it is even more important that countries legislate them to enforce implementation. Companies need to also start recognising the importance of labour in the production cycle and rewarding it accordingly. Information dissemination is very important, more so, Shoprite should begin to engage the workers in dialogue and consultations on issues that affect workers, both directly, through collective bargaining agreements and indirectly through company policies and strategies that affect employment and remuneration.

