



ECONOMIC & SOCIAL JUSTICE TRUST

A time to show solidarity with Shoprite workers

Press Statement, 21 December 2020

As a very difficult year comes to an end and we prepare for a festive season amidst a looming second wave of covid-19 infections, we are reminded once again of the continued injustices that Namibian workers are still facing. A case in point is the Shoprite strike which started today and which provides Namibians with a chance to show solidarity and to support the fight against starvation wages.

For several years, Shoprite has ignored workers' pleas for better wages and benefits to enable them to at least meet their basic needs. Instead of meeting these demands which Shoprite could have easily done given the profit margins and the multimillion dollar bonuses that the company continues to pay to its top managers, Shoprite continues with its highly exploitative and union-bashing practices. In 2014, for example, Shoprite went as far as granting increases only to those workers who were not members of a particular trade union. Workers were told to resign from that union in exchange for an increase. This grossly unfair labour practice only ended when workers launched a case with the Office of the Labour Commissioner.

In June 2015, workers submitted their wage proposal to the Shoprite management but were once again ignored. In light of Shoprite's refusal to bargain at all (let alone in good faith) and angered by the company's decision to unilaterally impose increases, workers decided to go on strike in July 2015. The strike ended upon the advice of the Deputy Minister of Labour and the Employment Equity Commissioner and their assurances that they would look into the problems at Shoprite.

Since then, Shoprite committed a host of violations of the Namibian Labour Act and continued with its unfair and highly exploitative labour practices. Decisions concerning the workers' wages and employment conditions are taken in South Africa and Shoprite Namibia does not meet its obligation regarding collective bargaining and the duty to bargain in good faith.

This led to the strike action which started today. Through their trade union, NAFAU, Shoprite workers demanded an entry level salary of at least N\$ 2500 per month, a general salary increase of N\$ 600 per month plus the introduction of a transport and housing allowance. They also asked that after 12 months of employment, employees should be treated as permanent workers. These reasonable and in fact modest demands could easily have been met by Shoprite. Instead, the

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company offered a mere 5% increase which in practical terms means an increase of N\$ 100 per month for a worker with a monthly income of N\$ 2000.

It is hardly surprising that after years of unfair treatment, Shoprite workers rejected this offer and decided to go on strike. As Shoprite and its subsidiary companies such as Checkers and USave make their money from the purchases by Namibians, the Namibian public can now show solidarity in very practical ways. The Economic and Social Justice Trust therefore supports the call by Shoprite workers and NAFAU to boycott the stores of Shoprite and its subsidiaries to pressurize the company to negotiate in good faith and to accept the justified demands from its workers.

We also call on the Ministry of Labour, Industrial Relations and Employment Creation to ensure that Shoprite adheres to its legal obligations. The Labour Amendment Act (No 2 of 2012) clearly states that “An employee is presumed to be employed indefinitely unless the employer can establish a justification for employment on a fixed term”(Article 128c(1). Thus treating staff members as temporary employees after several years of employment as done by Shoprite is illegal and Shoprite must be told in no uncertain terms that it cannot operate outside Namibian laws and that it will be severely punished for doing so. This is long overdue.

The Namibian Labour Act of 2007 also states very clearly that during a protected (“legal”) strike like the one which started today, the employer cannot ask any other employee to do the work of a striking worker. Likewise, it is illegal to employ new workers to do the work of striking ones. Such “scab labour” is outlawed and must not be allowed to happen.

Ahead of the festive season, we therefore appeal to our fellow Namibians to show solidarity with those who still experience highly exploitative practices and to send a signal to Shoprite that we are not indifferent to the sufferings of others. Let us all boycott Shoprite and its subsidiaries until the company meets its workers’ demands.

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