

Trade unions in Tanzania

On 1 July 2000, the implementation of the Tanzanian Trade Union Act of 1998 led to the dissolution of the Tanzanian Federation of Trade Unions (TFTU). The Tanzanian government confiscated all TFTU property and assets, removed its leadership, appointed an administrator and retrenched the staff.

The International Confederation of Free Trade Unions (ICFTU) and other trade unions (including COSATU) in the region sent letters of protest to President Mkapa, expressing outrage at the violation of the right of freedom of association. Delegations from local trade unions, the ICFTU and the Organisation of African Trade Union Unity (OATTU) consulted with the Ministry of Labour on changing the new law. Meanwhile, a committee of general secretaries from ex-TFTU affiliates was formed to facilitate the launch of a new 'free and independent' federation. Most trade unions are now registered under the new law in order to attain legal status.

Activists are questioning the Tanzanian government's motivation to commit such an extreme violation of the right to freedom of association, especially given that Tanzania was traditionally regarded as the 'home of African socialism' under the late President Julius Nyerere. Some argue that dissolving the TFTU was merely a technical consequence of new legislation to create free democratic trade unions.

Jocelyn R Vass reports on trade unions in Tanzania.

Others point to the upcoming general elections (the first since introduction of multi-partyism in 1995) in October 2000. On the whole though, the TFTU dissolution happens in a context of government fast-tracking economic liberalisation policies, including the wide-scale privatisation of state-owned parastatals.

In 1967, Tanzania had declared itself a socialist state. It adopted the Arusha Declaration on the basis of which government nationalised all the means of production in order to become self-reliant, develop domestic capital and reduce dependence on foreign capital. State spending on social services such as education and health was a priority. More than 30 years later, however, after major economic crises and a series of economic structural adjustment and liberalisation policies, Tanzania is now a fully-fledged market economy, as per World Bank and International Monetary Fund (IMF) dictates.

Social indicators

Tanzania mainland is one of the poorest countries in the world. In 1991 (the latest available figure based on the last labour

force survey), 51,1% of Tanzanians lived under the national poverty line. The population is predominantly rural and only 26% of the total population live in urban areas. It occupies the 156th position out of 174 countries on the Human Development Index, and under-performs compared to sub-Saharan countries. Life expectancy dropped from 52 years to 47,9 years and only a third of eligible children are enrolled in education. The average number of AIDS cases is more than two-and-a-half times that in sub-Saharan Africa (111,1 cases per 100 000 persons). The real

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income per capita of US\$580 is the third lowest in the world, and only a third of the average per capita income in sub-Saharan Africa. It is still a highly indebted country and the debt per capita exceeds income per capita. On the plus side, as a result of increased spending on education and health in the early 1970s, adult literacy is of the highest in Africa at 71% of the adult population and infant mortality rates is down to 92 per every 1 000 live births. However, given current low levels of school enrolment, future adult literacy levels are set to decline.

Economic framework

The Tanzanian 'socialist' economy

experienced major crises in the 1970s and 1980s as a result of both internal and external crises. By the 1980s the country was reeling from:

- ☐ a serious decline in real Gross Domestic Product (GDP);
- ☐ high inflation;
- ☐ a huge trade deficit (due to the drop in price of export crops);
- ☐ the cost of its war with Uganda (under Idi Amin);
- ☐ a serious drought;
- ☐ much reduced access to international finance.

The government implemented 'home-grown' and IMF and World Bank funded structural adjustment programmes in the

Major economic indicators

Gross domestic product (\$ mill)	7,917
Value added as % of GDP:	
Agriculture	46%
Industry (mining, construction, electricity, gas and water supply)	14%
Manufacturing	7%
Services	40%

1998 World Development Report 2000

1980s and 1990s to achieve 'sustained growth in real incomes and output'.

The overall effect was the re-introduction of free market principles for the first time since 1967. During the crisis years of the 1980s, GDP growth declined drastically to 1,9%, but stood at 3,5% by 1997, just slightly above current population growth at about 2,8%. Agricultural growth, the largest contributor to GDP, however, performed very erratically and by 1994 declined to about 0,4%, its lowest level in 15 years. Inflation fell from high double-digit levels of 35,3% to 12,9% by 1997.

Despite the economic reforms, the economy is largely geared towards

agriculture. The manufacturing share of GDP remains at a dismal 7,4%. Whilst its growth rate increased from -4,9% (1980 to 85) to 4,1% in the mid 1990s, it is still very low. The shift towards export orientation and the lifting of trade tariffs exposed the manufacturing sector's low levels of technology and skills, and its inability to compete internationally. Today, one of the last bastions of the socialism phase is coming to an end as many parastatals have closed or are being privatised. So far, privatisation has impacted negatively on the manufacturing sector's production and export performance as the expected injection of foreign capital and new technology did not always materialise.

Despite a drive towards manufactured exports, most exports are still unprocessed agricultural goods. As a result of fluctuations in the world prices of these goods, the trade deficit remains high. The services sector is the second largest and growing, but besides organised tourism, it consists largely of public sector services and retail and trade in the informal sector.

Labour market indicators

	1980	1990/1	1998
Population (millions)	18,6	22,7	32,1
Labour force (millions)	9	11,2	16
Formal employment (m)	-	-	1-2m
Female % of labour force			50%-49%
Children (10-14 years) % of labour force)			43%-38%

Labour force survey 1990/1, Torres 1998

The economically active labour population (labour force) is 16 million strong, about half of the total population. Most are employed in agriculture, specifically traditional small family farms and subsistence agriculture. Formal employment, however, is at very low levels with various estimates at between one and

two million employed.

In the 1980s and 1990s, parastatals provided about 67,5% of manufacturing employment. The privatisation of parastatals resulted in the liquidation and closure of many companies and massive job losses. Thus in manufacturing, employment dropped to nearly half its size between 1991 and 1994. Today, manufacturing provides only 2% of overall employment. The size of the public sector has also been reduced as government tries to rein in public spending.

Technically, unemployment is very low, but employment in subsistence agriculture masks the inability of the formal sector to be a significant generator of employment. Child labour is a significant feature of the labour force especially on family farms. This is despite government's commitments to eradicate child labour. Whilst women form half the labour force, they are still discriminated against in terms of conditions of employment and are restricted to certain jobs or hours of employment. For instance, in the public sector women are generally not allowed to work at night between 10pm and 6am due to cultural norms.

Education levels are generally lower, which restricts them to lower levels of employment.

Trade unions

Historically, there has been a close association between trade unions and government. Before independence, workers organised

through the Tanganyika Federation of Labour (TFL), established in 1955. It fought for independence from Britain, with TANU (which became the ruling political party). In 1976, the TFL was abolished and replaced by a single trade union - the National Union of Tanganyika (NUTA) - established by government. NUTA acted

more like a government department, rather than an independent trade union structure.

Government appointed the general secretaries of trade unions and curtailed union activities through legislation. Government effectively banned strikes on the basis of protecting the 'national interest'. In 1977, with the formation of the ruling party Chama Cha Mapinduzi (CCM), NUTA was replaced by JUWATA (for workers), one of five mass organisations, the others being youth, women, co-operatives and parents.

In 1991, under the Organisation of Tanzania Trade Unions Act (OTTU), a trade union called OTTU was established as the sole representative of all employees. OTTU acted as both a trade union and federation as individual workers as well as trade unions could join. Thus, 11 industrial trade unions were established under OTTU. One of the main consequences of the legislation was that OTTU could collect membership dues.

Workers kept advocating for free trade unions and by 1995, 11 free trade unions formed the Tanzanian Federation of Trade Unions (TFTU). However, whilst the TFTU and its affiliates operated as de facto trade unions (with the exception of the

teachers' union), they were not legally registered in terms of the OTTU Act. Thus, the repeal of the OTTU Act, automatically dissolved the TFTU. At the same time, the new Trade Union Act 1998 no 10, requires both the federation and all other trade unions to register as legal entities. The history of union development in Tanzania thus suggests a monopolistic top-down, rather than a bottom-up grassroots approach.

The latest figures indicate that TFTU membership declined from 404 547 (1996) to about 360 000 members in 2000. About 10 to 15% of the country's 2 million wage earners are unionised now. Most of the TFTU membership is in the public sector. It has about 40 000 members on small family farms. Membership of individual unions has been hit hard by constant retrenchments.

New trade union act

One of the enduring features of the Tanzanian labour relations framework is that whilst workers enjoy all the basic labour rights through the Security of Employment Act, Minimum Wage Act and others, in practice, these only exist on paper.

In April 2000 the government ratified

TFTU affiliates (2000)

Affiliate	Abbreviation	Membership
Tanzanian Federation of Trade Unions	TFTU	360 000
Tanzanian Union of Government and Health Employees	TUGHE	31 430
Tanzanian Local Government Workers' Union	TALGWU	43 093
Tanzanian Mines and Construction Union	TAMICO	14 526
Tanzanian Seamen's Union	TASU	12 642
Tanzanian Teachers' Union	TTU	110 000
Researchers, Academics and Allied Workers' Union	RAAWU	10 253
Tanzanian Plantation and Agricultural Workers' Union	TPAWU	50 642
Conservation, Hotel, Domestic and Allied Workers Union	CHODAWU	22 459
Communication, Transport Workers Union	COTWU	12 494
Tanzanian Union for Industrial and Commercial <WHAT>	TUICO	40 065
Tanzanian Railways' Workers' Union	TRAWU	9 723

Source: Interim General Secretaries Committee

ILO convention no 87 on Freedom of association and the right to organise, Article 4. Up until now whilst workers could join unions, the trade unions themselves were not legally recognised. Whilst basic trade union rights such as stop order facilities, company access were recognised, in practice management (especially in privately owned companies) can intimidate workers from joining the union. Local labour offices do not always act on these infringements.

Further, in terms of the new Trade Union Act, all trade unions and federations must register and government must approve their constitution and rules. Failure to register and any other contravention of the law are subject to fines, terms of imprisonment, or both. Only one official, not employed directly in a particular sector, may work full-time for a trade union.

All other elected officials must work full-time in the industry or sector that the union represents. Further, trade union officials must have a certain level of literacy and may not serve for longer than three years.

The bill originally intended banning public sector workers from union membership, but this was changed after trade union protests. However, defence and intelligence force workers are still not allowed to become union members.

The registrar's powers are excessive and wide-ranging and allow it to:

- ☐ de-register the smaller of two trade unions in multi-union workplaces;
- ☐ suspend union branches for contravening their own rules or the Act;
- ☐ suspend a trade union for six months in the interest of public order or security;
- ☐ approve or invalidate international trade union affiliation unless certain internal union procedures are abided by, or if in his/her opinion, its objectives

include matters other than the relations between employer and employees.

The Act also provides for the formation of more than one federation. The interim Committee of General Secretaries interprets this as an intention to undermine trade union unity. They argue that instead of using the democratic process to resolve internal disagreements, unions may form rival federations.

Formally all workers enjoy the right to collective bargaining. However, there is no formal public sector bargaining and public sector minimum wages are set by the state. However, at an individual public institutional level, unions do negotiate actual wages (above the legal minimum) and other conditions of employment. In the private sector, collective bargaining largely takes place at plant level.

Unions cannot conclude voluntary agreements with employers as all collective agreements must be registered by the Industrial Court, on condition they are in line with government economic policy. Failure to meet these requirements could nullify their implementation, with the result that most agreements are unregistered. Authorities may impose compulsory arbitration in a dispute on a collective agreement.

Government can nullify what it regards as 'excessive' increases agreed upon between unions and employers. This interferes with the right to freely negotiate and gives more bargaining leverage to employers wanting to keep their labour costs as low as possible. Foreign investors are also pressurising government to reduce the number of compulsory employee benefits.

The right to strike exists, but complex and lengthy procedures make a legal strike very difficult to achieve. Failure to comply may result in the union or its members being fined for loss of production. Most

unions do not have a militant tradition. This can partly be attributed to the traditional loyalty towards government, although workers are now increasingly employed by private business. However, when strikes do occur, they are largely spontaneous and 'illegal'.

The trade union movement's marginalisation in influencing government policy is especially visible in the main tripartite structures. These structures are largely consultative, do not function efficiently and lack financial resources. For instance, the Labour Advisory Board discusses employment policy, reviews labour laws and any other issues affecting the partners. Yet, government forced the new Trade Union Act through despite protestations by the unions.

The Minimum Wage Board sets an annual national minimum wage and other conditions of employment. However, trade unions report that government does not seriously consider their proposals. Trade unionists often feel that their participation is limited to attending policy seminars to rubber stamp government decisions, rather than actively engaging government policy.

The trade union response to the impact of privatisation has been defensive, and limited to one TFTU representative on the Presidential Parastatal Sector Restructuring Commission, which oversees privatisation. One trade union leader describes the current response as one of 'complaining' rather than directly confronting the issue. Most unions negotiate retrenchment agreements to reduce job losses and secure some retrenchment benefits.

Challenges

Privatisation of parastatals and the resulting job losses is the single biggest challenge for trade unions in mainland Tanzania. Tanzania and its assets are

literally up for sale as, in the words of its privatisation web site, it offers the investor 'one-stop shopping' and new investment opportunities that 'only come once'.

The new Trade Union Act is a clear attempt by government to neutralise and control trade union activity and ensure it does not become an obstacle to increased labour market flexibility. If further serves government's purposes to maintain a weak and submissive trade union movement. This is especially relevant in southern Africa, given that strong and well-mobilised trade unions, as was the case in Zimbabwe, and more recently in Swaziland, can become a potential destabilising threat to governments. Trade unions need to re-assert themselves in shaping government policy in terms of trade, investment and broader labour market policy.

Concluding remarks

Whilst the interim Committee of General Secretaries criticised parts of the new Act as a contradiction of fundamental human and trade union rights, they have largely accepted it, subject to some amendments through the parliamentary process. It also seems to accept the dissolution of the TFTU and now seeks to establish a new 'strong single federation'. However, at the moment, the balance of power is clearly in favour of a liberalising government. Thus, the manner in which this battle is resolved could define whether Tanzanian trade unions can transform themselves to become genuine defenders of workers' rights.

References

- Interview with chairperson of the Interim General Secretaries Committee in September 2000,*
- ICFTU (2000) Tanzania Report on Core Labour Standards*

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