

# **Employers**

**DECEMBER 2018** 

## Newsletter



### **Dear Members**

Welcome to the December 2018 edition of our Newsletter, which focuses on:

- 1. A review of the Collective Bargaining Summit,
- Launch of the Enabling Environment for Sustainable Enterprises (EESE) report,
- 3. EMCOZ End of Year shutdown,

We pledge to continue offering quality and demand driven services to members in the areas of Employment Law, Labour Relations, Executive Training and Development as well as Management Consultancy in Organisation Development. We urge you to continue engaging with us and specifically request that you update your contacts with us to enable us reach you effectively and timely.

I wish you pleasant reading.

EMCOZ Vice President Dr. I. Murefu

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### **COLLECTIVE BARGAINING SUMMIT FOR 2019**

**EVENT REVIEW** 

#### BACKGROUND

That the current exchange rate regime in the market is not sustainable is a given. The Bond Note was introduced, to vehement protestations from Employers, in November 2016 when banking deposits of about \$6.5 billion were supported by official nostro and cash balances below US\$300 million. Though backed by a loan of US\$200 million, the main purpose of the Bond Note was to "physically monetise the chasm between electronic balances and the real US dollar in cash and nostro balances". The chasm has steadily worsened since then and there is now a huge premium on the US dollar against both the Bond Note and the RTGS Dollar. Broad money supply has increased unsustainably, rising by 40.8% between January and June 2018 against a GDP rise of only 7.8% over the past four years. The excess of money supply over productivity is what has generated the inflationary pressures in the economic systems which are now causing increases in all basic commodities. How should the labour market react?

The workshop presentation included the following speakers:

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TITLE OF PRESENTATION	MODERATOR	PRESENTATION CONTENT
Trends in the economy and what	Brains Muchemwa	An overview of the National economy and a forecast
they mean for the Employers and		of the near future.
workers, Causes and Effects of		
Money Supply Growth		
N	D 0 1/	
Nexus between OSH, Productivity	Dr G. Kanyenze	An outline of the linkages between the pursuit and
and Economic stability		achievement of OSH, Productivity and Economic
		stability.
Rights and responsibilities-causes	Advocate R.	Legal opinion of the provisions which include
of low productivity	Matsika	productivity within national labour law.
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Collective Bargaining 2019. What is	Dr G. Kanyenze	Theoretical summary of the various approaches to
the Bottom Line?		employee remuneration.
Towards Zimbabwe becoming a	Dr Mugano	Perspectives from different Economic sectors of what
Middle Income Economy by 2030		actions need to be implemented to achieve the
		national vision of becoming a Middle Income
		Economy by 2030

#### THE BOTTOM LINE:

After the deliberations the participants agreed on the following base for collective bargaining in 2019:

- 2019 will be a very difficult year to navigate for both Employers and Workers.
- It is important to realize that neither the Employer nor the Worker is responsible for the economic meltdown.
- A Social Contract is essential to address the situation, which requires fiscal discipline by Government.
- Mutual gains negotiating will be the guiding principle.

#### **COLLECTIVE BARGAINING SUMMIT IN PICTURES**



Honorable Professor A. Murwira, Minister of Higher Tertiary Education, Science and Technology Development contextualized the workshop in his presentation



Dr E. Muvuro, the Chair of the EMCOZ Training Committee, delivering the welcome message

# **Enabling Environment for Sustainable Enterprises**

**REPORT LAUNCH** 

#### **OVERVIEW**

EMCOZ in launched the Enabling Environment for Sustainable Enterprises Zimbabwe (EESE) report on 15 November 2018 at the Royal Harare Golf Course during the launch event for the Zimbabwe working project. EESE is a comprehensive and powerful ILO methodology developed to assess, advocate and reform the environment in which enterprises start up and grow. The EESE Zimbabwe report prioritized 8 areas which were perceived as those where interventions for improvement are most needed. The selected conditions are as follows:

- 1. Sound and stable macroeconomic policy and good management of the economy
- 2. Enabling legal and regulatory environment;
- 3. Rule of law and secure property rights;
- 4. Access to financial services;
- 5. Physical infrastructure;
- 6. Peace and political stability;
- 7. Good governance; and
- 8. Responsible stewardship of the environment.



EMCOZ president, Mr Matthew Chimbaandah delivering remarks on behalf of employers.

