

# Labour Relations in Tanganyika

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*The last ten years have seen the enactment in Tanganyika of detailed laws regulating conditions of employment, the establishment of minimum-wage-fixing machinery and the creation of employers' and workers' organisations which engage in collective bargaining and the settlement of disputes and appoint members to sit with government representatives on the Labour Advisory Board. The author describes all these achievements and their concomitant problems, which have led the Government to take certain steps to maintain the stability in industrial relations that is so important for the economic development of the country*

**T**ANGANYIKA, the largest of the East African countries, is a fully independent Republic with a total area of some 361,800 square miles or approximately the same size as Nigeria and almost as large as the whole of Pakistan or Venezuela.

The population of the country is not homogeneous, but consists of many communities, the bulk of which is formed by the indigenous Africans who account for almost 99 per cent. of the total. The remaining 1 per cent. comprises Indians, Pakistanis and Arabs and a numerically small group of Europeans also of various nationalities. An estimate made in mid-1961 put the total population of the country at 9,403,700, of which more than 9,250,000 were Africans.

The African population is composed of many tribes, numbering in all about 120, speaking different dialects and with varying customs and traditions. Although Tanganyika has a large number of tribes relative to its population, there is hardly any problem of tribalism, peoples of all tribal groups mix freely and inter-tribal marriages are common. The existence of one common lingua franca, Swahili, makes communication between peoples of different tribes very easy.

## WAGE-EARNING LABOUR

A very large majority of the African population are self-employed peasants and stock-keepers living in rural areas. Trade, together with some small-scale manufacturing, is largely in the

hands of the Asians, while the Europeans are mainly civil servants, technicians, and owners or managers of mines, agricultural plantations and other industrial and commercial enterprises.

Statistics of African wage earners do not show the total number gainfully employed, but only the reported and estimated figures. The number in paid employment as recorded in June 1962 was 387,670 persons of both sexes and all races, or approximately 5 per cent. of the total population. The ratio of adult males in wage-earning employment to the number of adult males in the total population is very low indeed, being only about 15 per cent. Out of the total wage-earning labour force, 90 per cent. were adult males, 6 per cent. were women and 4 per cent. children and young persons between the apparent ages of 12 and 18 years. Only 18,854 of those in paid employment were non-Africans, mostly holding skilled and

TABLE I. EMPLOYEES BY MAIN INDUSTRIAL DIVISIONS

(a) *Africans*

Main industrial division	Males	Females	Young persons	Total
Agriculture, forestry, fishing and hunting . . .	168,025	15,662	13,133	196,820
Mining and quarrying . . .	7,920	163	4	8,087
Manufacturing . . . . .	22,207	1,598	1,204	25,009
Construction . . . . .	39,849	88	37	39,974
Electricity and water . . .	4,808	9	21	4,838
Commerce . . . . .	12,093	216	87	12,396
Transport and communications . . . . .	20,780	33	24	20,837
Services . . . . .	56,557	3,513	785	60,855
Total . . . . .	332,239	21,282	15,295	368,816

(b) *Non-Africans*

Main industrial division	Males	Females	Total
Agriculture, forestry . . .	1,990	131	2,121
Mining and quarrying . . .	597	80	677
Manufacturing . . . . .	2,699	194	2,893
Construction . . . . .	1,145	54	1,199
Electricity and water . . .	382	57	439
Commerce . . . . .	4,020	527	4,547
Transport and communications . . . . .	2,343	164	2,507
Services . . . . .	3,287	1,184	4,471
Total . . . . .	16,463	2,391	18,854

Source: *Employment and Earnings in Tanganyika, 1962* (Dar-es-Salaam, Statistics Division, the Treasury).

supervisory jobs. The majority of the African wage earners are unskilled or semi-skilled labourers. Tables I and II show the distribution of all wage earners by main industrial division and in the public and private sectors.

A significant feature to be noted from the tables above is the large number of wage earners engaged in plantation agriculture, and in public services in relation to other employing enterprises. These figures, moreover, do not include wage earners employed in African-type farming, which also employs large numbers of workers, particularly in the production of cotton and coffee. Domestic servants in private households are not enumerated, but the total is estimated at 30,000.

For many years a substantial proportion of the African wage-earning employment has been of a migratory nature, the workers

TABLE II. TOTAL WAGE EARNERS IN THE PUBLIC AND PRIVATE SECTORS

(a) *Africans*

Sector	Males	Females	Young persons	Total
<i>Public service :</i>				
Central Government . .	59,499	1,537	104	61,140
Local government . . .	19,589	503	26	20,118
Posts and telegraphs . .	1,356	5	—	1,361
Railways and harbours .	12,898	11	6	12,915
Others <sup>1</sup> . . . . .	501	9	—	510
Total public services . . .	93,843	2,065	136	96,044
Total private industry . .	238,396	19,217	15,159	272,772

(b) *Non-Africans*

Sector	Males	Females	Total
<i>Public service :</i>			
Central Government . .	2,753	539	3,292
Local government . . .	161	33	194
Posts and telegraphs . .	295	29	324
Railways and harbours	1,163	51	1,214
Others <sup>1</sup> . . . . .	241	16	257
Total public services . . .	4,613	668	5,281
Total private industry . .	11,850	1,723	13,573

Source: *Employment and Earnings in Tanganyika, 1962* (Dar-es-Salaam, Statistics Division, the Treasury).

<sup>1</sup> East African Common Services Organisation.

proceeding from tribal areas to centres of employment, mainly in the plantations, where they were engaged for relatively short periods, usually ranging from three months to a year, before returning to their home districts. However, the migratory pattern which characterised past labour trends is now changing and there are strong indications of a gradual stabilisation of labour following major wage increments in the last few years and improved working conditions necessitating also better utilisation of labour as costs rise.

### THE EMPLOYMENT ORDINANCE

The Employment Ordinance (No. 47 of 1955 as subsequently amended <sup>1</sup>), with its comprehensive subsidiary legislation, provides the basic labour legislation in the country regulating the conditions of employment of the majority of wage earners. It only lays down minimum standards in regard to the engagement and continued employment of workpeople and applies only to labour earning less than £420 per annum ; it does not cover those employed in pensionable offices of the Government and the East African Common Services Organisation.

The ordinance confers special powers on the Labour Commissioner and Officers of the Labour Department who, in addition to being administrators of the ordinance, are also empowered, in the course of their duties, to enter, inspect and examine any place, structure or article where or about which any employee is used, and including kitchens in which food provided for the use of employees is stored, prepared or eaten. If as a result of such inspection, the Labour Commissioner thinks fit, he may prohibit the further employment of workers engaged in any place of employment where he is satisfied that the conditions do not comply with the requirements of the law.

### *Contracts of Service*

The ordinance makes provision for two types of contracts :

- (1) Oral contracts : these are contracts at will which are not required to be in writing and, in the absence of any more specific conditions, are deemed to be contracts for the period by which wages are calculated. Continuation of employment after the contract period has ended is deemed to renew the contract.
- (2) Written contracts : these are made for six months or more or stipulate conditions of employment differing materially from

<sup>1</sup> Two significant amendments to the Employment Ordinance are the ordinance to amend the Employment Ordinance (No. 10 of 1960), and the Act to amend the Employment Ordinance (No. 82 of 1962). See I.L.O. : *Legislative Series*, 1955—Tan. 1, and 1960—Tan. 1.

those customary in the district of employment for similar work or are foreign contracts of service relating to employment in another country.

Once he has entered into a contract, whether oral or written, the employer is obliged, unless the employee has broken his contract, or the contract is frustrated or its performance is prevented by a trade dispute or by an act of God, to provide his employee with work for the period of the contract and if the employer fails to do so, he must pay the worker wages at the same rate as if he had been continuing to perform the contract.

The same obligations as required of the employer are also applicable to employees; an employee may be subject to summary dismissal if he absents himself from work without the permission of the employer or without genuine cause. As a result of the amendments to the Employment Ordinance the old system of "ticket contracts" has been abolished. Under this system workers were allowed between 36 and 42 days to complete the period of work of 30 days specified in the "ticket contract". The changes following the abolition of this type of contract include the calculation of the payment of wages on a monthly basis, that is 26 days worked calculated at the daily rate and four days' rest. This amendment has changed the basis of work contracts for a large proportion of the African labour force.

#### *Dismissals*

The conditions and circumstances under which an employee may be dismissed summarily by an employer are specifically set out in the Employment Ordinance.

Where an employer terminates the contract of a worker for reasons other than those calling for summary dismissal, and in the absence of any agreement providing for a period of notice of longer duration, the law requires the employer to give notice to the employee of—

- (a) twenty-four hours where the contract is for a period of less than a week;
- (b) fourteen days where the contract is a daily contract under which, by agreement or custom, wages are payable not at the end of a day, but at intervals not exceeding one month;
- (c) thirty days where the contract is for a period of one week or more.

#### *Severance Allowance*

The law imposes a liability on employers to pay a severance allowance to their employees when their employment comes to an end, or to their dependants if an employee dies during his employment.

The allowance is payable to employees on both oral and written contracts of service but does not apply to—

(a) employees exempted from the provisions of the Employment Ordinance ;

(b) employees who voluntarily terminate their employment for reasons other than old age ; and illness, injury or death not occasioned by an employee's own serious and wilful misconduct ; and

(c) employees who are summarily dismissed.

The qualifying period for the allowance is continuous employment with an employer for three or more months on or after 25 June 1962, but service during ten years before the effective date has also to be taken into account in calculating the allowance. The allowance must be paid at the rate applicable at the time of cessation and calculated as follows :

(1) where the employee's service does not exceed one year, 15 days' wages ; and

(2) if it exceeds one year, 15 days' wages for each completed year and part of a year exceeding six months.

There are provisions for the abatement of the allowance where the employee receives a pension or a benefit from a provident fund, or any gratuitous allowance or certain payments under the Workmen's Compensation Ordinance.

### *Holidays*

Except for an employee employed on a contract to execute piece work or to perform a journey, and subject to any agreement providing for holidays with pay not less favourable to an employee, the law requires that every employee who has worked for an employer on not less than 288 days within the preceding 12 months shall be entitled to a holiday with full pay at the expense of that employer at the rate of one day in respect of each period of two months' service, to be taken at such time as shall be agreed between the parties. In addition it is obligatory on every employer to grant all the statutory public holidays to their employees, with full pay ; or to pay them double if required to work on such days.

Furthermore, an employee is not required to work for his employer for more than six consecutive days without a day's rest, to be taken on such day as is agreed between the parties. Where an employee is employed on a contract under which wages are calculated by reference to a period of one week or more, no deduction can be made from his wages on account of his not working or attending at his place of employment on the weekly rest day.

*Employment of Women, Young Persons and Children*

It is prohibited to employ any child under the apparent age of 12 in any capacity whatsoever, unless in company with its parents and then only in light agricultural work or such other work as approved by proper authority. A child between the ages of 12 and 18 can be employed only on a daily basis and must return to its parents every night. No children may be employed in industrial undertakings except in technical schools and institutes approved by proper educational authorities. There are also restrictions imposed on the working hours, types and places of employment for women and young persons ; for example, no woman may be employed in a mine on work involving manual labour.

*Protection and Safety of Workers*

Legislative provision is also made for the payment of workmen's compensation for injuries sustained during the course of employment and there is a comprehensive Factories Ordinance, enforced by qualified officers of the Labour Department, which prescribes standards of safety and welfare for factory workers.

## WAGES

In all contracts of service the wages of employees must be paid in the currency of the country. Apart from deductions for government taxation and for compensation for damage to employer's property, no deductions from the wages of a worker can be made without his express consent. Furthermore, besides deductions for food and housing provided by the employer at the request of the employee, it is illegal to pay wages in kind. However, according to recent statements by the Government, urgent consideration is being given to the question of the issue of food to labour. The Government feels that the time has come to move away from the payment of wages in kind to real wages so as to help to "create mature and responsible workers able to rely on themselves as any other citizen of the country".<sup>1</sup>

A notable feature of the wage structure in Tanganyika is the great disparity between the lowest and the highest incomes of wage earners. This is primarily because the structure of government administration and of the private business sector have not grown naturally from local origins but have been developed according to models derived from overseas. The effect of this has been that a foreign salary and wage structure belonging to high-income coun-

<sup>1</sup> Joint Statement issued by Ministers for Labour of Kenya, Uganda and Tanganyika, August 1962.

tries overseas was superimposed on the low income structure that Tanganyika has been able to develop so far out of its own meagre resources.

However, the present disparity of income in the country, which for historical circumstances tends in most cases to run on racial lines, is likely to lose in importance gradually in the light of the Government's vigorously pursued policy of increasing higher educational facilities for the African, simultaneously with the rapid Africanisation of both the public and the private business sectors. In a statement of policy issued jointly by the Ministers for Labour of Uganda, Kenya and Tanganyika, in August 1962, and later endorsed by the Government of Zanzibar, it was declared that—

No country can be completely independent unless it is able to provide personnel from its own indigenous people for its public services. It is, therefore, logical that all East African Governments must continue to move rapidly towards Africanisation of the public services. . . . Industry and commerce throughout East Africa cannot afford to lag behind Government, and must Africanise as fast as possible for them to harmonise their interests with the new political outlook and climate of opinion throughout East Africa.<sup>1</sup>

The wages of workers in Tanganyika, in common with other developing countries of the world which depend on the export of primary produce, have been traditionally low. Wages policy had in the past been based on a low-wage economy, and the existence in the country of larger numbers of people seeking work than jobs available has had a depressing effect on the level of wages. "Cheap" labour has meant that industry has not deployed wage earners as efficiently as possible and, until recently, there was little or no trade training. Lack of educational facilities for the greater part of the population has resulted in poor educational standards of wage earners, who, with this handicap, have not been able so far to develop their potentialities.

On this question the Government is also determined to ensure that future wage trends contribute to the aim of attaining a high-wage economy. It is the Government's policy that "there should be a smaller number of persons in paid employment earning a comparatively higher wage rather than employment of a greater number at a lower wage".<sup>2</sup>

In their joint statement of August 1962 the three Ministers of Labour also stated that—

. . . the future policy must be based on a high-wage economy, and that each East African Government should review its wage structure aiming at a

<sup>1</sup> Joint Statement issued by Ministers for Labour of Kenya, Uganda and Tanganyika, August 1962.

<sup>2</sup> *Report of the Territorial Minimum Wages Board* (Dar-es-Salaam, Government Printer, 1962).



minimum wage that would provide a worker and his family with a reasonable standard of life.

The conception of bachelor wages was considered socially and economically undesirable. Furthermore, although in principle the Ministers admitted that the matter of determining wages should be achieved through collective bargaining between employers and trade unions, they still felt that—

... Governments would have to give a strong lead in this matter, and would continue to have over-all responsibility to ensure that the wages negotiated moved along the lines of Government policy, i.e. towards a high-wage economy.

The three Ministers also emphasised the need for the rate for the job. While the trade unions expect higher wages for their members they should—

... continuously preach to the workers the need for higher productivity. Such high productivity is a necessary part of the plan for economic growth and expansion, and to create the means with which to improve the standards of life for the working people.

Although legislation (the Regulation of Wages and Terms of Employment Ordinance) empowering the Government to create machinery for fixing statutory minimum wages was enacted as early as 1953, advantage of this power was not taken until 1957, when the then Tanganyika Government issued an Order setting up a minimum wages board for the town of Dar-es-Salaam, the capital of the country. The rates fixed by that board were not reviewed until August 1961, when, for the first time in the history of Tanganyika, the present Government appointed a Territorial Minimum Wages Board comprising representatives of employers and workers, with government assessors and an independent chairman. The Government prescribed the following terms of reference :

The Board shall enquire into and recommend on the establishment of a basic minimum wage and, further, shall consider—

- (a) what differentials are appropriate as between different areas of the territory ;
- (b) the prescription of separate minima for the following classes of employees :
  - (i) persons of or over the age of 18 years ;
  - (ii) persons under the age of 18 years but of or over the age of 15 years ; and
  - (iii) persons under the age of 15 years.
- (c) the regulation of wages of part-time employees.

The Board reported in March 1962 recommending an over-all increase of nearly 33 per cent. over previous wages for the whole

country, calculated on the basic rates applicable in each area.<sup>1</sup> Its recommendations were implemented *in toto* by the Government as from 1 January 1963 and it is obligatory on every employer, except those exempted by the Board on economic considerations, to implement the minimum rates. It is understood that the tenure of this Board has been extended indefinitely, although with a slight change in membership.

### WORKERS' ORGANISATIONS

Until well into the middle of the 1950s there was no semblance of collective organisation of wage earners in Tanganyika. Wage levels and other conditions of employment were determined unilaterally by employers, including the Government.

The first significant development of trade unionism began with the formation of the Tanganyika Federation of Labour in 1955, just under a year after the launching of the national liberation movement. It was the Federation which formed and organised the unions, and in the year of its formation the trade union movement implanted itself in many of the principal sectors of the economy.

The beginning of trade union activity was closely followed by the enactment of the Trade Union Ordinance of 1956 requiring the compulsory registration of every trade union before it could operate. The ordinance bestows certain immunities and privileges on the unions, one of which, in particular, is the right to sue, be sued or prosecuted under a union's name. All unions must keep books of accounts and must submit to the Registrar of Trade Unions, annually, balance sheets of all moneys received and expended. Failure to submit proper accounts can lead to the suspension of the officials responsible. It is compulsory for all persons joining a trade union to be workmen actually engaged in an industry with which that union is directly concerned.

The ordinance of 1956 was amended in 1962 by the Trade Union Amendment Act which, besides continuing the above principles, aims at consolidating the unity of wage earners. Thus, one of its main clauses empowers the Minister for Labour to appoint a "designated" federation of which every workers' trade union is required, as a condition of its continued registration, to become and

<sup>1</sup> The wage rates as established by the Territorial Minimum Wages Board were prescribed for four different categories of workers, each category having a different minimum wage rate. Thus for category 1 (Dar-es-Salaam municipality and Tanga town, excluding plantations) the monthly minimum rate was 150s.; for category 2 (other township areas as defined by the Board) the monthly minimum wage was 125s.; for category 3 (all other areas but excluding non-plantation agriculture) the monthly minimum wage was 100s. Category 4 refers to part-time employment. See *Report of the Territorial Minimum Wages Board*, op. cit., p. 24.

to remain an affiliated member. No other federation of worker unions is legally allowed to exist as long as the designated federation continues to enjoy the recognition of the Government. The designated federation now is the Tanganyika Federation of Labour; under the express provisions of the law its policy is that membership of trade unions should be open to persons of both sexes, all races and all creeds.

Furthermore, the designated federation has power to direct any of its member unions to pay to it a specified contribution, and the Minister can order the federation to employ a qualified accountant. Though this sum requires the approval of the Minister of Labour, it is significant that no limit as to the amounts to be demanded is provided and that failure to comply constitutes an offence.

All trade unions operating in the country are organised on an industry and nation-wide basis, and almost all have full-time officials at headquarters, regional and branch levels. In addition to the unions organising employees in the service of the Government, local authorities and departments of the East African Common Services Organisation, the workers' unions of greatest importance and influence are the Transport and General Workers' (Tanganyika) Union, the Plantation Workers' Union and the Dock Workers' and Stevedores' Union.

Statistics on union membership are not always reliable indications of the strength of unions, since most trade unions tend to keep in their rolls members who do not pay their dues regularly, and sometimes even include persons who have long ceased to be in paid employment. However, experience has shown that most of the workers in the country are union sympathisers, and although even some of those enrolled are inactive and may take little interest in the day-to-day affairs and responsibilities of their unions, in times of industrial disputes they all come out as one body, member and non-member, in full solidarity.

Effective organisation of trade unions in Tanganyika is hampered by two obstacles. These are the problems of education among the masses of the workers, as well as some of the officials, and the inadequacy of funds. Except for the few men at the top, the majority of union officials have had very little education besides the rudiments of reading and writing. The masses of the workers are hardly literate. This is actually a problem affecting all sectors of activity in the country, since the proportion of educated persons in the total population is infinitesimal.

With only a short history of existence leaders of the trade union movement in Tanganyika have yet to inculcate into the minds of the majority of the workers the spirit of active participation in the affairs of their unions and the shouldering of full trade union respon-

sibilities. Unfortunately, to most workers trade unions are just organisations to run to in times of trouble. So long as there are no difficulties, the necessity of contributing regularly to the unions' coffers does not occur to the majority of workers. Most of them only pay in times of impending industrial disputes.

The scattered nature of industrial enterprises, particularly the plantations in the rural areas in a country poorly served by communications, further adds to the difficulty of regular collection, even where dues would be readily forthcoming. With this lack of funds, therefore, few, if any, of the unions, have been able to extend the scope of their activities to provide for educational and other social facilities for their members.

In order to ensure regularity of income and stability of funds, it was felt that the introduction of the check-off system could provide the solution. The gravity of the unions' financial problem was highlighted in a statement of policy issued jointly by the Ministers for Labour of the East African Governments in August 1962, in which they stated that—

The unions need financial stability to be efficient and stable. In this regard the Governments . . . should look into the need or otherwise to institute legislation establishing the check-off system of collecting dues.

Legislation has now been enacted in Tanganyika making it obligatory for any employer of not less than ten employees to operate the check-off system if requested to do so by the General Secretary of a trade union. Before dues can be deducted from the wages of a member it is, however, necessary to obtain his written authorisation. Members can also contract out of the check-off system.

In giving such facilities to unions, the law also stipulates the purposes for which union funds can be expended ; these are—

(a) the payment of salaries, allowances and expenses of officials, and the payment of other associated expenses, such as contributions to the designated federation ;

(b) the conducting of trade disputes on behalf of the union or any member and the compensation of members from loss arising out of a trade dispute ;

(c) the payment of allowances to members or their dependants on account of old age, sickness, death or distress through circumstances beyond the member's control ;

(d) for educational, cultural and vocational training, and for the purchase of books, newspapers and other literature and for the upkeep of a reading room for use by members ; and

(e) for the organisation of any theatrical performance, concert and reception on behalf of the union.

Furthermore, the Registrar of Trade Unions is empowered, if he is satisfied that the funds of a trade union are being used in an unlawful manner or on an unlawful object or on an object not authorised by the law, or is satisfied that the accounts are not being kept in accordance with the provisions of the law, to suspend from office the officers of the union or any of them and to apply to the High Court for the appointment of a Receiver. Officials of a union so suspended can appeal to the Minister against the action of the Registrar.

Although some trade union officials have complained that this legislation imposes wide restrictions on their freedom to organise their own internal administration, it is an inescapable fact that most union officials charged with the responsibility of accounting lack the knowledge of keeping accounts and of controlling expenditure. Strict control and regular inspection of expenditure and accounts by the Government has therefore been felt necessary.

#### EMPLOYERS' ORGANISATIONS

Prior to the formation of trade unions in the mid-1950s, such employers' organisations as existed in the country were in the form of chambers or associations of trade, commerce and industry. In the absence of any organised labour movement it is understandable that there could not be any strong force bringing the employers together to collaborate on labour matters; the rates of wages and other terms of employment they offered were seldom challenged by the workers. However, with the formation of the trade union movement the employers had also to come together to present a united front against the unions, and the year of the registration of the Tanganyika Federation of Labour also saw the birth of an effective employers' trade union, the Dar-es-Salaam Employers' Association, which developed in 1960 into the Federation of Tanganyika Employers.

Besides the Federation of Employers, each industry has now organised an employers' association affiliated to the Federation. Most of the employers' associations have a secretariat and the members meet frequently to collaborate on general policy to adopt towards the problems of labour. These associations form the basis by which employers negotiate with unions on matters of wages and other terms of employment of labour. In their internal organisation the employer groups are financially strong and have capable leadership.

One of the problems faced in the relations between employers and workers, as will be discussed later, is the racial division between master and servant. With the exception of the Government

which is African directed, there are very few Africans in Tanganyika who can, strictly speaking, be called employers. The Government is, therefore, doing all it can to bridge this gap, and besides its campaign to wipe out racial prejudices in the country, it is also urging employers, as one of its measures towards attaining racial harmony, to encourage the emergence of Africans as employers and to take them into their membership. When addressing the Federation of Tanganyika Employers in February 1963 the Minister for Labour stated—

In the changing political, economic and social conditions of Tanganyika, I hope it will not be out of place here if I put forward a plea for you to seek membership among the Asian and African employers. I hope you will examine the means of expanding this type of membership as it is the Government's hope that African employers will increase in number and will play a part in determining the pattern of employment relationships within Tanganyika.<sup>1</sup>

It is also government policy to encourage the emergence of strong and effective employers' organisations in the country which, besides co-operating with the trade unions in dealing with their industrial labour problems, can also provide a forum for consultation with the Government on labour and general economic problems. In the same address, the Minister for Labour also urged the Federation "to make a greater drive to increase its membership". The Minister exhorted all employers in the country to—

... consider seriously the advantages they will gain through membership of the Federation; these advantages include access to the advisory services provided by your Federation and also the right to participate in a channel of communication which will make known employers' views to the Government on matters affecting labour legislation and employment conditions generally. On this latter point, it is my intention that I shall continue to approach the Federation and its affiliates to obtain advice on plans formulated by Government which affect employment conditions in Tanganyika. The means of having available a representative body of opinion which can make known to me the reaction of employers to such plans cannot be over-emphasised; and it is for this main reason that I hope your Federation will prosper.

In addition to appealing to all employers in the country to join the Federation, the Minister also advised the Federation to maintain close working relationships with the trade union movement through informal contacts and by establishing some form of a standing committee which they could use to review their mutual problems.

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<sup>1</sup> Tanganyika Information Services. Press Release No. CB/7/2 dated 7 Feb. 1963.

## RELATIONS BETWEEN EMPLOYERS AND TRADE UNIONS

In order to understand the problems of labour-management relations in Tanganyika, one has to bear in mind the following basic factors which initially determined the attitudes of both parties towards one another, and to some extent still underlie their relationships.

As has already been mentioned, all enterprises which employ large numbers of labour are foreign-owned and most of their managerial and other supervisory personnel are non-Africans. Although relations between the African and the non-African are amicable on an individual basis, the existing division of labour, in which the African is always the manual and unskilled labourer and the non-African is everywhere the master and the skilled man, tends to make the African wage earner and the trade union official regard the trade union movement not as an organisation for the improvement of working conditions for labour, but as a shield and protection against the non-African rich man. To most Africans, indeed, this racial division appears to be the end-product a deliberate policy of the former colonial government.

Coupled with this factor is the background against which trade unionism developed. The trade union movement, it has been pointed out, was born at the same time as the national liberation movement. Both organisations co-operated and collaborated in the struggle against the colonial régime. African nationalism, like other nationalisms, is in part a revolt against an inferior economic and social status. The fact that employers were of wholly expatriate origin whereas wage earners were mostly indigenous complicated the situation, since both parties naturally had different aspirations and allegiances.

Another factor is the lack of experience of both parties in labour-management relations. Apart from a small élite the majority of trade union officials have not had the opportunity of a good education. On the other hand very few enterprises operating in the country employ people trained in personnel management, and the factory supervisor or farm manager is often the personnel and industrial relations officer. Inevitably, therefore, labour-management relations have to grow on stony ground.

*Development of Collective Bargaining*

Since independence, in spite of all these deep-rooted problems and prejudices, genuine attempts have been made by both sides of industry, with the encouragement of the Government, to set up voluntary collective bargaining machinery; and for disputes which cannot be settled by the parties themselves the Government has

provided comprehensive legislation for the institution of conciliation and arbitration tribunals. There are also special provisions under the law concerning the settlement of disputes in essential services.

The development and consolidation of collective bargaining on an industry-wide basis and aided by co-operation and consultation between trade unions and employers' organisations is increasingly becoming the dominant feature in the pattern of industrial relations. The idea of consultation between management and workers is now widely accepted as a necessary provision for the prevention and settlement of industrial disputes.

At the end of 1961 there were 286 formally constituted joint consultative committees catering for nearly half the total wage-earning labour force, and the terms of employment of some 60 per cent. of wage earners were regulated by voluntary collective agreements.

The structure of negotiating machinery varies from industry to industry, depending upon the size of the enterprise. In the sisal industry, for example, consultations with labour were conducted at two levels, representatives elected from works committees meeting together in one joint industrial council to take decisions on matters raised at the lower level. In 1962 this machinery, which was regarded by management as purely advisory in function, was replaced by a National Joint Council for the sisal industry.

In smaller industries the works committee at the factory level may perform both consultative and negotiating functions. In larger ones it is purely consultative, dealing with such matters as welfare, recreation, sanitation and health, education, discipline, tasks, efficiency and dismissal. Although demands for wages, sick and leave pay, holidays and working hours may start at this level, except in very small and isolated undertakings the tendency is to refer them to the joint industrial negotiating councils for decision. It is, furthermore, common practice in most industries for the union secretariats to formulate all the demands rather than the works committees.

In the conditions prevailing in Tanganyika, although the existing negotiating machinery works with some success, there is often friction between employers and unions and differences arise from time to time for which the machinery fails to provide a solution. This is evidenced by recent trends in the settlement of most disputes through conciliation and arbitration. The level of experience of both parties in collective bargaining still leaves much to be desired, and the prejudices arising from historical circumstances often lead to mutual suspicion and distrust. Claims submitted by the workers are normally considered, in the first place, in the



industry's negotiating councils and, whilst agreement is sometimes reached there on certain matters, lack of confidence and of experience on the part of both parties often hinders quick settlement. The unions often make excessive demands and are sometimes unable or unwilling to appreciate that an offer made during negotiations is the maximum they can squeeze out of the employers; on the other hand, the employers are often reluctant to offer the maximum they can reasonably afford, taking into account profit margins, possibilities of market expansion, and improvements that might be effected by better management.

### *Settlement of Disputes*

Because of the country's low level of income and its urgent need of development, the present Government's industrial relations policy is to preserve a climate of industrial peace in which development plans can go forward unhindered by recurring industrial strife, and capital investment can be encouraged.

As already stated, the majority of the population are peasants living at a very low level of income estimated at present to be about £20 per head per annum. Most of the 5 per cent. who are in wage-earning employment, earn about the same annual income and, although they may in certain cases be contributing more to the national economy than the average man, their interests must be equated with those of the whole nation. This argument is elaborately explained by the President of the Republic of Tanganyika, Mwalimu Julius K. Nyerere, in his pamphlet *The Basis of African Socialism*<sup>1</sup>, in which he writes—

In a tribal society the individuals or the families within a tribe were rich or poor according to whether the whole tribe was rich or poor. If the tribe prospered all the members of the tribe shared in its prosperity. . . . If the members of any group within our society are going to argue that, because they happen to be contributing more to the national income than some other groups, they must therefore take for themselves a greater share of the profits of their own industry than they actually need; and if they insist on this in spite of the fact that it would mean reducing their group's contribution to the general income and thus slowing down the rate at which the whole community could benefit, then that group is exploiting (or trying to exploit) its fellow human beings.

There are bound to be certain groups which, by virtue of the market value of their particular industry's products, will contribute more to the nation's income than others. But the others may actually be producing goods or services which are of equal, or greater, intrinsic value although they do not happen to command such a high artificial value. For example, the food produced by the peasant farmer is of greater social value than the diamonds . . . but the mine workers . . . could claim, quite correctly, that their labour is

<sup>1</sup> Julius K. NYERERE : *Ujamaa — The Basis of African Socialism*, (Dar-es-Salaam, Tanganyika Standard Limited).

yielding greater financial profits to the community than that of the farmers. If, however, they went on to demand that they should be given most of the extra profit for themselves, and that no share of it should be spent on helping the farmers, they would be potential capitalists.

This is exactly where the attitude of mind comes in. It is one of the purposes of trade unions to ensure for the workers a fair share of the profits of their labour. But a fair share must be fair in relation to the whole society. If it is greater than the country can afford without having to penalise some other section of society then it is not a fair share. Trade union leaders and their followers, as long as they are true socialists, will not need to be coerced by the Government into keeping their demands within the limits imposed by the needs of society as a whole.

Although, as is claimed, the right to go on strike is a democratic right, like many other rights it is often put to abuse and this has led to the imposition by the Government of strict regulations on the use of the strike and lockout weapon. In the national interest the Government considered it necessary to reserve to itself the right of intervention before a situation could become so grave that the public is deprived of the necessities of life or the country's economy is put into jeopardy.

The Trade Disputes (Settlement) Act of 1962 strictly limits the right to strike or to declare lockouts. Under the Act no one may call or go on strike or effect a lockout unless—

(a) a trade dispute exists and has been reported to the Labour Commissioner ;

(b) a conciliator has been appointed and has failed to effect a settlement ;

(c) the Labour Commissioner has reported the dispute to the Minister for Labour and 21 days or such extended period as the Minister may have allowed, has elapsed and either—

(i) the dispute has not been settled or referred to a tribunal or board of inquiry ; or

(ii) it has been referred to a board of inquiry, the Minister has received the board's report, 21 days or any extended period allowed has elapsed since he received it and the dispute has not been referred to an arbitration tribunal.

In short, a strike or lockout cannot take place unless the Minister permits.

According to procedure laid down under the Act, any trade dispute, whether existing or apprehended, must be reported to the Labour Commissioner by notice in writing given either by or on behalf of the employer, or on behalf of the employees by the General Secretary of a registered trade union of which they are members. Non-union employees are thus excluded from reporting a dispute. When a trade dispute has been reported, the Labour Commissioner

is empowered to appoint a conciliator for the dispute ; but if he is satisfied that any machinery for the settlement of disputes has not been made use of, he has to refer the dispute back to the parties for negotiation and settlement. Where there is insufficient or no machinery for the settlement of disputes in the industry where the dispute arose, the Minister may, after consultation with the parties concerned, direct that such machinery be established.

Furthermore, where a trade dispute exists or is apprehended, whether or not the dispute has been reported, the Labour Commissioner may inquire into its causes and circumstances and, with the approval of the Minister, refer any matters appearing to be connected with or relevant to the dispute to a commission of inquiry. At any time when a trade dispute exists, the Minister may direct the Labour Commissioner to refer to a board of inquiry any matters connected with the economic or industrial conditions of the country.

Except in essential services, reference to arbitration is not compulsory. In regard to non-essential services, the Minister may only refer a trade dispute to an arbitration tribunal if both parties consent. If either party withholds its consent and the dispute is not resolved, the Minister may appoint a board of inquiry to "inquire into the causes and circumstances of the dispute and after considering its report may then refer it to arbitration".

Arbitration tribunals are appointed specially for each case. Their awards must be submitted to the Minister for his confirmation and approval. Negotiated agreements are, however, not subject to ministerial confirmation. The Minister can reject a tribunal's award and refer it back to the tribunal for revision, or can revoke the appointment of a tribunal and appoint another to consider the same dispute. On confirmation of an award, the Minister may also direct its application in other branches of the trade or industry related to the one in which the dispute had arisen. No application can be made to vary an award until 12 months have elapsed from the date of its publication in the Official Gazette.

Although the enactment of this legislation can be considered as tantamount to the imposition of compulsory arbitration, it is fully realised by the Government that compulsory arbitration may not in itself be a guarantee against strike action and can well become an obstacle to full development of collective bargaining by removing the initiative to set up and effectively maintain voluntary negotiating machinery. Experience has indeed cast serious doubts on the efficacy of compulsory arbitration as a means of promoting industrial harmony and preventing stoppage of work. The Government is therefore doing all it can to encourage the setting up of effective negotiating machinery and to inculcate into both employers and workers the spirit of joint consultation,

co-operation and mutual understanding. In the words of the Minister of Labour, when addressing the Federation of Tanganyika Employers in February 1963—

It remains the Government's policy that employers' and workers' representatives should together agree on what the conditions of employment should be in an industry or individual concern. In short, the conclusion of voluntary agreements achieved through the process known as collective bargaining remains the core of government policy in industrial relations. It is when such agreements cannot be reached that the Government considers it necessary for intervention by way of conciliation and arbitration.<sup>1</sup>

However, in order to obtain an effective and fully developed level of joint consultation and collective bargaining, the Minister went on to state that there must be—

... strong and fully representative organisations of employers on the one hand and workers on the other. When this stage has been reached and the strength of the employers' and workers' organisations are evenly balanced, one can expect that collective agreements will be sensible and will take account of the economic position of the employers and the day-to-day needs and aspirations of the workers.

#### COLLABORATION BETWEEN THE GOVERNMENT AND EMPLOYERS' AND WORKERS' ORGANISATIONS

The Employment Ordinance, already discussed, also provides for the setting up of a Labour Advisory Board comprising the Minister for Labour or his representative as chairman, public officers, representatives of employers and workers and such other persons as may be nominated by the Minister. The functions of the Board, as is implied by its name, consist purely in advising the Government on matters concerning labour legislation and employment conditions generally in the country.<sup>2</sup>

Besides the Labour Advisory Board there is also the East African Tripartite Labour Council composed of the Ministers for Labour of Kenya, Uganda, Tanganyika and Zanzibar, as well as representatives of employers' and workers' organisations of the same countries. A conference held in Dar-es-Salaam in November 1962 was also attended by observers from Mauritius and Northern Rhodesia. The subjects discussed at the meeting covered a wide field and included such items as wages policy, social security, contracts of employment, housing, Africanisation, industrial relations and labour legislation.

<sup>1</sup> Tanganyika Information Services. Press Release No. CB/7/2, op. cit.

<sup>2</sup> A Labour Advisory Board with a chairman nominated by the Minister of Labour, nine representatives from the workers' organisations and an equal number from employers' organisations held its first meeting in September 1962.

In order to facilitate full response and co-operation on the part of unions and employers, the meeting agreed that employers' and workers' organisations " should be associated fully with the planning machinery and decisions in respect of economic programmes ".<sup>1</sup>

Since in itself East Africa is a geographical, economic and social entity, this conference proved to be very useful in co-ordinating policy not only on labour problems but also on social and economic questions affecting all the countries. It is now the declared policy of the Government, employers and trade unions that they should continue to hold such meetings regularly. In addition to this tripartite meeting of governments, employers and trade unions, the Ministers for Labour have their own separate conferences from time to time, and although the trade unions have not yet started to meet and collaborate, the federations of employers in the four countries collaborate constantly and have already formed a secretariat with a view to the establishment of a confederation of East African Employers.

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<sup>1</sup> Statement issued after the Conference of the Ministers for Labour, Employers' and Workers' Representatives of Kenya, Uganda, Tanganyika and Zanzibar held in Dar-es-Salaam in November 1962.