

# OFFICIAL NEWSLETTER

*Zambia Federation of Employers quarterly E-Newsletter*

## WELCOME FROM THE PRESIDENT

*To all ZFE members.*



Fresh from our 55<sup>th</sup> Annual General Meeting, I am pleased to present to you the latest edition of the ZFE newsletter for the 2<sup>nd</sup> quarter.

Personally, it was an honour to attend this year's AGM which was full of informative presentations and meaningful discussions. The Zambia

Federation of Employers has over the years provided a formidable voice of the private sector in Zambia. Furthermore, in raising the concerns of its members, ZFE has always been mindful of the interests and welfare of the workers in Zambia accordingly. ZFE has also played a major role in advising its members on their responsibilities to respect the rights of workers, including the right to belong to trade unions and the promotion of industrial peace and harmony in the world of work and the country at large. This has not been without ZFE playing its major advocacy role of lobbying the Government to create an enabling business environment for sustainable enterprises in the country.

We proudly announced that during the year 2022, the country enjoyed industrial peace and harmony as there were no records of major or prolonged cases of industrial strife. And it is because of this reason that I commended in my speech presented the ZCTU, the FFTUZ and those in leadership of various sector unions in both private and public sectors, and of course not forgetting the employers as they also played a role in maintaining industrial peace and harmony.

During my speech at the AGM, we as ZFE commended the New Dawn Government for amending the National Pension Scheme (NAPSA) Act to reduce penalty to only 10%. In addition the Act has now granted powers to the NAPSA Director General to waiver penalties where it may be found reasonable to do so. You may wish to know that ZFE had over a long period of time been asking previous Governments to reduce this penalty but was never listened to. But to "Balance the equation", the New Dawn government has also listened to the cry of the Zambian workers over the non payment of a lump sum from NAPSA to employees that qualify for monthly pension in their retirement age and the Republican President signed into law the NAPSA Amendments Bill 2023 to provide for a partial withdrawal to the Zambian worker under NAPSA.

I'd also like to personally thank everyone who attended our 55<sup>th</sup> AGM on 21<sup>st</sup> April 2023 at Sandy's Creations in Lusaka. We were very pleased with the response from our membership, with over 90 members in attendance.

Please email [zfemembership@gmail.com](mailto:zfemembership@gmail.com) with any feedback or content for future newsletters, and thanks to the members who have made this edition so informative. Take care and stay well.

Myra Sakala - Ngoma  
President



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## LABOUR DAY CELEBRATIONS

As Zambia Federation of Employers (ZFE), being a business member organisation, we were delighted and grateful to join the workers in all provinces of Zambia and the rest of the world in the commemoration of the very important day of Labour Day. A day when the world is reminded of; how significant labour is, in the production process of the business entities, how important labour is, in the public sector, when it comes to the public sector service provision. How important labour is, to the farmer, the domestic worker, the truck driver, to name but a few.

This year's Labour Day celebrations were being held under the theme **'ACCELERATING JOB CREATION FOR ECONOMIC GROWTH.'**

Employment or being a successful entrepreneur brings dignity to individuals and their families. It becomes a source of living and therefore, any action to accelerate job creation at the National level, will no doubt be a source of Economic growth as the theme states. It is reminding us about growing our economy in a manner that must enable the country create more decent jobs for the people of Zambia. This calls for us to ask ourselves, as Organisations, what mechanisms have we put in place? Or must we put in place, to grow the Zambian economy, to a level that can create the anticipated number of jobs? to absorb a good number of the unemployed Zambians.

We wish to thank and commend the Energy Regulation Board (ERB) for rejecting the proposal from Zesco to reduce the lifeline units from 100KWH to 75KWH for residential customers and for directing the utility company to maintain the current lifeline units at 100kwh at a reduced tariff from 47NGWEE/KWH to 40NGWEE/KWH, as a huge number of residential customers constitute our employees whose income is already affected by the high cost of living. We also wish to commend Zesco for having accepted this directive.

In our speech, we made mention that our concern is over the multi-year tariffs from 2023 to 2027 on commercial tariffs to be increased. Much as we appreciate the fact that ZESCO has been facing financial challenges, mainly arising from the growing gap between Revenue operating and maintenance costs, and that it makes business sense for ZESCO to receive positive returns on its investment, we fear that the immediate increase, is in excess of 290% and this has a lot of devastating effects on manufacturing industries, which ultimately may end up winding off. It is also true in every sense that the proposed multi-year tariff increments will raise the cost of production which will have a repo effect on the ordinary citizen.

In our speech we also noted that while it cannot be argued that the Government has a responsibility to create an enabling environment for the private sector to

grow, nothing should prevent the state from participating in running business through state owned enterprises in strategic sectors of the economy. We believe that this is the idea behind the creation of the Industrial Development Corporation (IDC) as a state owned enterprise, charged with the mandate to spearhead the Zambian Governments Commercial Investment Agenda, aimed at strengthening Zambia's Industrial base. This includes the Rural Industrialisation, Development activities and job creation.

We wish to see IDC taking keen interest in the mining sector and setting up a state owned enterprise or enterprises in the sector to mine and utilise the great potential that lies in our mineral resources especially in gold and lithium sugilite. The Government has set a pace for Development and Employment creation to be spread geographically. There is already evidence of success stories on Constituency Development Funds and Commended those members of parliament and local authorities for the scores so far.

ZFE congratulated all the Zambian workers for commemorating the very important day of Labour Day, praising the Zambian workers for having been available and for having been a critical factor of production in enterprises and the country.

# TRIPARTITE CONSULTATIVE LABOUR COUNCIL MEETING



ZFE vice president midlands delivering speech at the TCLC

urgency of addressing the solvency of the Scheme.

The Authority was seeking tripartite approval for options to increase revenue generation, being the following:

- Move the base for collections from basic pay to gross pay. At one percent employer / employee, this would support Scheme sustainability until 2027;
- Move the contributory rate from two percent to four percent of the gross pay, effective from 2028. This is proposed to ensure long term sustainability;
- Obtain a Central Government Treasury appropriation to the Scheme, especially for the poor and vulnerable; and
- Subsidization of Social Cash Transfer Beneficiaries by cooperating partners.

The TCLC recognized the value of the NHI Scheme and the goal of universal health coverage for all citizens and residents of the country.

The Scheme had been beneficial and it was therefore important to consider ways to guarantee the sustainability of the NHI Scheme.

Nevertheless, the Employers through ZFE adamantly refused to support moving from contributions based on basic pay to those based on gross pay. Employers had different allowance structures under their conditions of service. It would be inequitable and extremely onerous to make NHI contributions payable on gross pay.

The Employers supported obtaining the Central Government appropriations for the non-contributing members, as that was a form of social protection. The Employers also supported another option, being a small additional charge on talk time top-ups to make every member of the public contribute to medical services in the country.

ZCTU indicated that they needed to consult their constituents before they could give a position. The Employers supported this.

**The TCLC thus resolved that this matter be adjourned for further consideration at the ordinary TCLC meeting, expected to be held in July or August, 2023.**

## Consideration of the draft Statutory Instrument (SI) for the employment of persons with disabilities in public and private institutions

The purpose of the SI was to support the employment of Persons with Disabilities (PwD) in the public and private sectors. Employers would be required to advertise vacancies through various media platforms, provide “reasonable accommodation” for PwD interviewees, and make necessary workplace adjustments for employees with PwD. There was a quota of, **“at least 10 percent of positions in every organization”** for PwD, **“who met the requisite qualifications for the position.”** Enforcement of the SI would be through penalties for non-compliance.

The Employers through ZFE opposed the draft SI, on both substantive and technical grounds as there did not appear to be any justification for the proposed quota of 10 percent. However, the Employers supported incentives for hiring PwD.

MCDSS was adamant that PwD needed the support and the time to do so was now as the draft SI was part of the implementation of the 2012 Act and it was long overdue.

The Government noted the Employers’ concerns and also made observations about the technical aspects of the draft, questioning the scope it’s in light of the powers granted under the principal Act on who was to set the quota and how.

**The TCLC resolved to refer the draft SI back to MCDSS for further consideration. It should be resubmitted for the ordinary TCLC meeting, expected to be held in July or August, 2023.**

**WE THEREFORE CALL UPON YOU, OUR MEMBERS, TO GIVE US YOUR POINT OF VIEW ON THIS MATTER**

The Tripartite Consultative Labor Council (TCLC) held a Special Meeting on Tuesday, May 9<sup>th</sup>, 2023. In accordance with the Industrial and Labor Relations Act (ILRA), Cap 269, the TCLC is constituted by the Government, the Employers and the Workers.

The Tripartite Consultative Labor Council (TCLC) held a Special Meeting on Tuesday, May 9<sup>th</sup>, 2023. The ZFE Secretariat had invited the Federation’s members for a virtual consultative meeting on Friday, May 5<sup>th</sup>, 2023, to formulate the Federation’s position on the agenda items that had a direct effect on the members. The Secretariat sincerely thanks all members’ representatives who were able to attend both the consultative meeting and the TCLC. The discussions at the consultative meeting were robust and contributed to the preparation of the Federation’s Position Paper.

A summary of the discussions and resolutions of the TCLC were as follows:

## The National Health Insurance Scheme Actuarial Valuation Summary Results and Recommendations.

The NHI Scheme was undergoing its second actuarial analysis since it had been created. The actuarial analysis was sponsored by the International Labour Organization (ILO) and European Union.

The final report was expected in June, 2023. The preliminary findings were presented to the TCLC because of the

# ZFE CAPACITY BUILDING

As ZFE, we take pride in providing our members with capacity building training as it improves the organisations' performance and enhances their ability to function and continue to stay relevant within our rapidly changing environment. These trainings enhance members' knowledge and understanding of the labour laws and employment relationships between the employer and employee. Some of the trainings include: understanding Zambian labour laws and their applications, performance management and the Role of Human Resource Management in aiding corporate strategic success, Team Building as Organisation tool for productivity , leadership and supervisory skills, Needs and productivity based collective bargaining, Administration of Discipline and Grievance Handling procedures, Administration and Termination of Employment Contracts, and many more.

These can be in-house which are tailor-made programmes run as and when requested by members.

During the first and second quarters, ZFE held a workshop on Recruitment and Selection and three (3) In house trainings with Zambia Sugar ,Aflife and ABSA.

## RECRUITMENT & SELECTION

A two day management workshop on Recruitment and selection was held on the 23<sup>rd</sup> and 24<sup>th</sup> March, 2023 at Sandy's Creation in Chilanga. The key object of the workshop was to share knowledge with participants on thorough handling of Job Recruitment and Selection Systems and Techniques.

Participants gave their expectations at the beginning of the training and those expectations were met. The training content included;

- An overview of Recruitment and Selection
- Identifying the opportunity
- The selection interview process



*Participants during the management training on Recruitment and Selection in Lusaka*

and appointment and Retention.

The workshop attracted 45 participants out of which 3 were from Kenya and South Africa. who were from different sectors, some of which included; the Health Sector, Financial sector, Transport and Logistics, Mining sector, Insurance and Pensions, Agriculture, to mention but a few. The participants included human resources practitioners, Training and development experts, legal practitioners, as well as talent acquisition a & management specialists.

Certificates of participation were awarded at the end of the workshop.



*Participant receiving her certificate after the Management training.*

## WORDS FROM A MEMBER

### IN-HOUSE TESTIMONIAL FROM A MEMBER



Abisa had an in-house training held at the Absa offices with ZFE Legal Counsel on the Employment Code Act and selected Court Judgements. The training was well conducted and beneficial to the HR team. We chose ZFE because they service employers and have a more aligned perspective with us as an employer.

Our expectation was to understand the practical aspect of the Employment Code Act 2019 and some court judgements. The expectations were met and we had a follow up session to get more understanding.

The training was fruitful and productive. We hope to have more again soon.

Regards

### Job Mapachi

Employee and Industrial Relations Manager/People Business Partner  
People Function

# JAPAN TOBACCO INTERNATIONAL / ZACCI MEDIA TOUR



*JTI Site Operations Manager Chipata Mr. Ezekiel Mtonga with ZACCI CEO  
Mr. Elvin Nasilele*

The Zambia Federation of Employers joined ZACCI, ZAM and media houses on a formularization tour of the operations of JTI Chipata office.

The Japan Tobacco International (JTI) capacitates about 7000 farmers per year in both Eastern and Western province under its out grower scheme. Mr Ezekiel Mtonga the site operations manager of JTI made mention that his company provides its farmers with inputs such as high quality seed, fertilizer as well as access an established market etc. and have also benefited from the knowledge transfer being provided. Additionally, JTI supplies its farmers with maize seeds, groundnut seeds to encourage, crop diversification, crop rotation and prioritize on a nutritious diet form themselves and their families.

The tobacco industry is facing regulatory issues. Mr Ezekiel Mtonga made mention during the tour that the tobacco sector is comprised with unlicensed traders who are invading the sector. He also shared his concerns with Tobacco Association of Zambia trader licence issuing procedure. ZACCI and ZFE stress the need to harmonize licensing regulations to enable a continued favourable business environment in the sector.

With child labour being on a rampant in the tobacco industry, JTI through its ARISE project is partnering with stakeholders and its farmers to mitigate this problem. ARISE aims to create change that breaks the cycle of child labor. Getting children out of tobacco farming and into schools gives them the chance of an education, allowing them to create a better future for themselves and generations to come. The program looks at the many causes of child labor, and helps to create real change - from practical steps like building new schools, to more complex solutions such as working with law-makers and authorities.

So far, ARISE has helped more than 16, 230 children in Zambia out of the fields and into schools. Some 145,158 people in local communities have been educated about the problem of child labor, 36 Government policies have been developed and 8,569 households have benefited from an improved income. The federation wishes to commend JTI for this initiative.



*JTI, ZACCI, ZFE, ZAM and Media houses representative during the  
formularization tour*

# WORDS FROM OUR NEW MEMBERS

**STRONGMINDS** ORGANIZATION

## ABOUT STRONG MINDS

Strong Minds ([www.strongminds.org](http://www.strongminds.org)) Zambia (SMZ) is a fast growing and dynamic social enterprise, and the only organization scaling an intervention to deliver life-changing mental health treatment to vulnerable African women and adolescents suffering from depression. Our cost-efficient, rigorously tested therapeutic model uses Group Interpersonal Psychotherapy (IPT-G)—a WHO-recommended first-line treatment for depression in resource-poor settings. Since 2014, Strong Minds has provided mental health treatment to more than 230,000 clients in Uganda and Zambia, transforming their psychological health, increasing their economic security, and improving the well-being of their family.



Strong Minds has earned an impressive reputation in the global mental health space. In addition to media coverage in the New York Times, Forbes, BBC World Service, and the Stanford Social Innovation Review, we are described by UK organization Founders Pledge as the most cost-effective mental health organization working in

the grown significantly from when it established its operations in Zambia in 2019 with a small team of 8 staff and an annual budget of \$300,000 delivering IPT-G to just under 2,500 clients, to today where we have a staff of over 55, an annual budget exceeding \$1 million and are expected to treat more than 50,000 clients in this calendar year alone. Strong Minds Zambia expects to treat over 100,000 clients in the next 12 months and recognizes that scale will only be achieved by prioritizing the integration of its proven group interpersonal psychotherapy (IPT-G) model through partnerships - within existing community, government, and NGO structures.

Strong Minds Zambia (SMZ) joined the Zambia Federation of Employers to be represented by an Employer organization and have access to services such as information and advice on labour and industrial relations matters. SMZ through ZFE looks forward to being kept abreast of new developments on the labour market, amendments to the Zambian Labour Laws

and be part of the network of great organizations working in Zambia.

Strong Minds Zambia expects Zambia Federation of Employers to;

- ❖ To be adequately represented as an affiliated member organization.
- ❖ Provide information on all labour-related matters for both employers and employees at all levels.
- ❖ Support the organization by providing advice on legal matters.
- ❖ Support with training and knowledge sharing as per organizational need on different subject matters.
- ❖ Help the company grow its employees, through connecting with fellow member organizations affiliated to ZFE.



During the first quarter of 2023 Ten (10) companies joined the employers' family and they are follows

1. AYO Insurance
2. Food Lovers
3. Impala Terminals
4. Sandy's Creations
5. NHIMA
6. DASHUN
7. Occupational Health and Safety
8. Lemmer Hydraulics
9. AVIC International
10. Strong Minds



**WELCOME**  
*To the Federation*

On behalf of the ZFE  
general membership, ZFE  
board of directors,  
management and staff, the  
new members are welcome  
into the employers' family