



**REPUBLIC OF NAMIBIA**

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**MINISTRY OF LABOUR, INDUSTRIAL RELATIONS AND EMPLOYMENT CREATION**

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**INTRODUCTION AND MOTIVATION OF THE BUDGET ESTIMATES  
FOR VOTE 14  
FOR THE  
2024/2025 FINANCIAL YEAR**

**BY**

**UTONI NUJOMA, MP  
MINISTER**

**WINDHOEK**

**3 APRIL 2024**

**Honourable Chairperson of the Committee of  
the  
Whole House  
Honourable Members**

1. I rise to introduce Vote 14, the budget of the Ministry of Labour, Industrial Relations and Employment Creation (or MLIREC), an amount of **N\$222,382,000 (TWO HUNDRED AND TWENTY-TWO MILLION, THREE HUNDRED AND EIGHTY-TWO THOUSAND NAMIBIA DOLLARS)** for the financial year 2024/2025.

**Honourable Chairperson of the Committee of the  
Whole House  
Honourable Members**

2. From the perspective of my Ministry and of many other ministries, perhaps the most important question on our minds today is “what is the future of Namibia’s children and youth?” Will every young person have an opportunity to fulfil his or her potential in life? On reaching adulthood, will he or she be able to find work or start a business, support a family, buy a home and enjoy a decent standard of living? At present, many would say that the prospects are not good for the masses of young Namibians. As I will indicate in some detail shortly, the prospects are improving significantly.
3. As has been my practice, I will first address the burning issue of employment creation.
4. I think that it is important that we all be on the same page as members of the National Assembly when we discuss employment creation. I have therefore decided to set out again this year the context that informs the way forward.

5. In the past two decades, the number of persons entering the labour market exceeded employment growth in Namibia and in many other countries even in good times of rising GDP and despite many programmes aimed at socio-economic development. This is what I referred to as “jobless growth.”
6. Namibian youth, Namibian workers and their families and Namibian employers look to Government and to Parliament, working in partnership with the private sector, public enterprises and the informal sector, to drive the reversal of jobless growth and to solve the pre-existing problems of structural unemployment, under-development, informality, skills gaps and inequality, which, among others, hamper the prospects of our youth.
7. I note that some of our opposition politicians and social activists have found it politically opportune to blame my Ministry for not creating jobs. This reflects a basic lack of understanding of what is required to create employment and a misunderstanding of MLIREC’s mandate.
8. Unfortunately, many policy makers and economists world-wide, including in Namibia believed, and some still believe, that employment is automatically created when a country’s economy grows, however, this is not true.
9. Employment creation is a multi-sectoral national project that places employment and job creation at the centre of national socio-economic development. This project has many facets and interlinkages, including the linkages between employment creation and industrial policy, macro-economic policy, sectoral policies, labour-market financial policy, urban and rural development, up-to-date statistical research, public-private partnerships, trade, SME development, the informal economy, the need for enhancement and coordination of relevant

education and training, support for local value chains and markets, extension of “affordable” credit and increased productivity. The success of this project depends upon an employment-focused consciousness in all Government policies and programmes.

10. A key mandate of MLIREC is to coordinate and promote employment creation and not to create jobs directly. Jobs are created by employers in the private and public sectors and state-owned enterprises and through self-employment.

11. I can report to you today that during the past several years, MLIREC has worked methodically to lay the necessary foundation to support the ongoing creation of sustainable employment in Namibia. Last year and in earlier years I informed you of various plans and MLIREC is fulfilling these plans. Steps taken during the last financial year include:

**11.1 The introduction of the professional methodologies of employment impact assessment** by use of appropriate economics to assess or project the direct and indirect employment impact or employment potential of National Development plans, proposed investments, programmes and strategies. MLIREC has enabled the training of economists from several ministries, and with the assistance of the ILO, is about to complete an employment impact assessment with respect to initial green hydrogen projects. Training will continue and the capacity of Government to conduct employment impact assessment is being institutionalised;

**11.2 A toolkit has been finalised for the purpose of introducing employment centred-budgeting** in the process of approving budgets in the public sector and state-owned enterprises;

**11.3 The development of the Third National Employment Policy (NEP3) and implementation plan** by a multi-sectoral

committee, under the supervision of a committee of ministerial executive directors, is well-underway.

11.4 After intensive lobbying and rigorous preparatory work, **Namibia was accepted in the first group of Pathfinder countries of the United Nations Global Accelerator of Jobs and Social Protection for Just Transitions.** To remind the members of this House, the Global Accelerator is an ambitious Initiative launched by the United Nations Secretary-General Antonio Guterres in the aftermath of the Covid-19 pandemic to support member states to create jobs across the globe and to extend social protection coverage to people currently excluded through an innovative whole of UN system-whole of Government collaboration.

11.5 After acceptance as a Pathfinder country, Namibia prepared a “roadmap” that sets out its entry points and objectives for the four or five-year Global Accelerator process, with identification of targeted sectors and detailed key measures to be implemented to achieve each objective. The entry points and objectives are:

**11.5.1 Coordination of Employment Creation** - to place employment creation at the centre of planning and programmes for socio-economic development.

**11.5.2 Youth Employment and Entrepreneurship** - to create sustainable decent employment for youth and to reverse the high rate of youth unemployment.

**11.5.3 Expansion of Social Protection coverage** - to introduce effective social protection in the areas of old age/disability pensions and unemployment, and to investigate the strengthening and expansion of maternity protection.

**11.5.4 A national formalization strategy** - to develop a national strategy for formalization of enterprises and jobs.

## **Chairperson of the Whole House Committee Honorable Members**

12. I have now come to the point where I can concretize the reasons for stating that the prospects for our youth are improving.
13. The Global Accelerator is about to open a funding round for Pathfinder countries through the UN's SDG Joint Fund. We will work with the United Nations Resident Coordinator and the ILO to prepare proposals for funding on behalf of Namibia.
14. Namibia's initial proposals will be developed as national projects that will be formulated by a wide array of high-level stakeholders from government, the private sector, the trade unions, employer organisations, youth organisations and sectoral organisations through two roundtables on the Biomass Value Chain and on Agriculture. We as Namibians, together with UN agencies, will look at the prospects for impactful employment creation in these two areas and will interrogate what it would take to initiate targeted programmes in these areas to create a specified number of jobs and self-employment.
15. Employment creation is within our grasp, if we all work together. We are trying to encourage the development of initiatives that will provide decent work, equitable income and self-supporting once they are up-and running. Therefore, Parliament should appropriate sufficient funds for Government to devise strategies and explore public-private partnership arrangements. We should be prepared to put our heads together, to facilitate such dramatic and impactful employment initiative.
16. Annexed to my intervention as Exhibit "A" is a report of the achievements of the Ministry in the preceding year. The

achievements were made despite the shortage of vehicles which all reached their lifespan and no budgetary provision has been allocated for the replacement of the fleet. Inadequate human resources due to staff movement also hamper the operation of the Ministry.

## **Honorable Members**

**For this financial year 2024/25, MLIREC, in addition to the Global Accelerator, shall align its priorities to the amount allocated, and carry out the following activities with the limited resources at its disposal.**

17. The internal processes on the introduction of the National Minimum Wage at advanced stage. A National Minimum wage can be expected to be promulgated in this financial year.
18. The development of a new Case Management System for the Office of the Labour Commissioner to improve IT infrastructure to enable e-referral, e-filing, and online conciliation and arbitration, as well as efficient record retrieval for retrenchments and strikes, including measures for verifying retrenchment information received from employers of affected employees.
19. To restore the job seeker' system (Namibia Integrated Employment Information System) which is currently on-offline due to the storage and capacity challenges as well as outdated version. The technical team are hard at work in maintaining the system to restore its functionality.
20. Carry out routine and joint labour workplace inspections to enforce compliance with the labour laws in terms of basic

condition of employment, occupational safety and health and prohibition of child labour and forced labour.

**Honourable Chairperson**  
**Honourable Members**

Following are the specific amounts allocated to each main division.

MAIN DIVISION 1 - Office of the Minister responsible for policy directive and legal oversight, **N\$12,303,000 (TWELVE MILLION, THREE HUNDRED AND THREE THOUSANDS NAMIBIA DOLLARS)**

MAIN-DIVISION 2 - Administration responsible for overall coordination and administrative support services to all the operations of the Ministry, **N\$71,339,000 (SEVENTY-ONE MILLION, THREE HUNDRED AND THIRTY NINE THOUSAND NAMIBIA DOLLARS)**

MAIN- DIVISION 3 - Labour Market Services responsible for capital projects, employment creation efforts, productivity, research, career guidance, vocational counselling and preparing young people for the Future of Work, **N\$32,095,000 (THIRTY-TWO MILLION, NINETY-SIX THOUSAND NAMIBIA DOLLARS)**

MAIN-DIVISION 4 - Labour Services responsible for labour inspections (conduction of employment) and industrial inspections (occupational safety and health, and employees' compensation, **N\$55,916,000 (FIFTY-FIVE MILLION, NINE HUNDRED AND SIXTEEN THOUSAND NAMIBIA DOLLARS)**

MAIN-DIVISION 5 - Office of the Labour Commissioner responsible for harmonious labour relations and labour disputes resolution, **N\$29,536,000 (TWENTY-NINE MILLION, FIVE AND THIRTY SIX THOUSAND NAMIBIA DOLLARS)**

MAIN-DIVISION 6 - Office of the Employment Equity Commissioner responsible for the implementation of Affirmative Action Legislation in employment to ensure equitable workforce,



**N\$8,622,000 (EIGHTY MILLION, SIX HUNDRED AND TWENTY-TWO THOUSAND NAMIBIA DOLLAR)**

Main-division 7 - International Relations and Advise responsible for tripartite consultation (Social dialogue), coordination between the Ministry and SADC, ARLAC, AU and ILO on Labour and Employment matters, **N\$12,571,000 (TWELVE MILLION, FIVE HUNDRED AND SEVENTY-ONE THOUSAND NAMIBIA DOLLAR)**

**Chairperson of the Whole House Committee  
Honourable Members**

Chairperson, I put forth an amount of **N\$222,382,000 (TWO HUNDRED AND TWENTY-TWO MILLION, THREE HUNDRED AND EIGHTY-TWO THOUSAND NAMIBIA DOLLARS)** as the total budget for Vote 14, braked into an amount of **N\$216,382,000 (TWO HUNDRED AND SIXTEEN MILLION, THREE HUNDRED AND EIGHTY-TWO THOUSAND NAMIBIA DOLLARS)** for Operational Budget and **N\$6,000,000 (SIX MILLION NAMIBIA DOLLARS)** for Development Budget of Vote 14 for the House's consideration and approval.

**-I THANK YOU SINCERELY CHAIRPERSON-**