8TH SESSION OF THE NATIONAL ASSEMBLY

PARLIAMENTARY STANDING COMMITTEE ON POVERTY ERADICATION, LABOUR AND INDUSTRIAL RELATIONS

OVERSIGHT VISIT TO THE MINING SECTOR: TO ASSESS THE IMPACT OF THE OUTSOURCING OF JOBS/SERVICES ON EMPLOYEES AND COMMUNITIES

Report No. 3

Contents

ACRONYMS

APS	African Personnel Services
CSR	Corporate Social Responsibility
EPL	Exclusive Prospecting Licence
GDP	Gross Domestic Product
OHS	Occupational Health and Safety
MHAISS	Ministry of Home Affairs, Immigration, Safety and Security
MEIYSAC	Ministry of Education, Innovation, Youth, Sports
MoJLR	Ministry of Justice and Labour Relations
MIME	Ministry of Industries, Mines and Energy
MUN	Mineworkers of Namibia
NUA	Namibia Uranium Association
PPE	Personal Protective Equipment
RU	Revolutionary Union
TCL	Tsumeb Corporation Limited
USD	United States Dollar

EXECUTIVE SUMMARY

The National Assembly mandates the Parliamentary Standing Committee on Poverty Eradication and Labour Relations to oversee matters relating to labour relations, employment conditions, poverty reduction, and social justice. In fulfilment of this mandate, the Committee undertook oversight visits to mining sectors across selected regions of the Republic of Namibia.

The purpose of the oversight visit was to assess the impact of job and service outsourcing on employees and surrounding communities, evaluate compliance with labour legislation and occupational health and safety standards; engage directly, with affected workers and their representatives; assess the role of subcontractors and or labour hire agencies, and identify policy and enforcement gaps requiring parliamentary intervention.

The oversight covered mining operations in the Oshikoto, Otjozondjupa, Erongo, //Karas, and Khomas Regions. Engagements were held with mine management, workers' representatives, subcontractors, regional leadership, and officials from line ministries responsible for mines, labour, and justice.

The findings in some of the mines visited, reveal a labour environment increasingly characterised by outsourcing and labour-hire arrangements that undermine permanent employment, create precarious jobs, and weaken trade union representation. The Committee further observed persistent occupational health and safety shortcomings, particularly among subcontractors, and inadequate skills transfer programmes that perpetuate reliance on foreign expertise. In addition, corporate social responsibility initiatives are unevenly applied and provide limited direct benefits to workers. Regulatory oversight of Exclusive Prospecting Licences and associated labour practices remains insufficient.

The Committee is of the view that unregulated outsourcing and weak enforcement of labour laws threaten decent work, social cohesion, and the long-term sustainability of the mining sector. Mining operations must balance economic efficiency with social responsibility, respect for labour rights, and meaningful community participation.

1. BACKGROUND

Namibia's mining sector remains a cornerstone of the national economy, contributing significantly to the GDP, employment, and government revenue. In 2023, government revenue from mining increased by 55.9% to N$6.861 billion, while direct employment grew by 12.6% to 18,189 employees.

Despite this growth, the Committee observed a concerning trend whereby permanent jobs are decreasing. This practice undermines the principle of decent work, defined as productive employment undertaken in conditions of freedom, equity, security, and human dignity. It further limits employee benefits, weakens trade union representation, and erodes job security.

Employment data from 2012 to 2023 indicates stagnation in permanent employment levels alongside persistently high numbers of contractors. Concerns were raised regarding compliance with Section 128 of the Labour Act 11 of 2007, which requires parity of employment conditions and prioritises permanent employment. In addition, there is non-compliance with the Mines, Works and Minerals Ordinance 20 of 1968 on health and safety in the mining sector.

Furthermore, reports point to breaches of Exclusive Prospecting Licence (EPL) conditions as well as merger/acquisition obligations that require minimum thresholds for permanent employment. Inconsistent enforcement by regulatory bodies has allowed these practices to persist, raising serious concerns about the exploitation of workers and the erosion of labour rights.

It is against this backdrop that the Committee conducted oversight visits to some Mines in Oshikoto, Otjozondjupa, Erongo, /Karas, and Khomas regions in order to determine the impact of the outsourcing of jobs and services on employees and surrounding communities.

2. MANDATE OF THE COMMITTEE

The Parliamentary Standing Committee on Poverty Eradication, Labour and Industrial Relations derives its mandate from Rule 40 of the Rules for Establishing, Functioning and Procedures of Parliamentary Committees.

The Committee is mandated to:

The Committee therefore recommends that the relevant ministries strengthen the enforcement of labour legislation and occupational health and safety standards; regulate subcontracting arrangements to ensure equal pay for equal work and improved job security; and ensure meaningful trade union participation in retrenchment and outsourcing decisions. In addition, the relevant government ministries should promote structured skills transfer and capacity-building for Namibians and improve oversight of exclusive Prospecting Licence issuance, inactive licences, and compliance with licence conditions.

- monitor, enquire into matters related to poverty reduction, social protection, human resources development, industrial relations and employment creation;
- Promote harmonious labour relations;
- Scrutinise legislation affecting workers' rights; and
- Ensure that legislative and policy frameworks do not negatively impact workers.

3. PURPOSE OF THE OVERSIGHT

The oversight visits aimed to:

- Assess compliance with labour legislation and occupational health and safety regulations;
- Examine the impact of outsourcing and subcontracting on employment security and workers' rights.
- Engage directly with Mine management, workers, unions, and relevant government officials; and
- Identify policy, regulatory, and enforcement gaps requiring Parliamentary intervention.

4. COMPOSITION OF THE DELEGATION

The delegation was divided into 2 groups; the first group conducted oversight visits in Oshikoto, Otjozondjupa, and Erongo from 28 July 2025 to 2 August 2025. The second group visited mines in Karas and Khomas from 10 to 16 August 2025.

Group One	**Group Two**	
1. Hon. Justina Jonas - Chairperson	1. Hon. Justina Jonas - Chairperson	6. Hon. Clemencia Coetzee
2. Hon. Ambrosius Kumbwa	2. Hon. Ambrosius Kumbwa	7. Hon. Eneas Emvula
3. Hon. Lucia J. Mbuti	3. Hon. Lucia J. Mbuti	8. Hon. Borniface K. Susiku
4. Hon. Rodrick Likando	4. Hon. Vaino T.T. Hangula	9. Hon. Lilian Lutuhezi
	5. Hon. Fredrick Shitana	

5. SCOPE OF THE OVERSIGHT

The Committee, where possible, paid courtesy calls on the Governors of the regions visited, followed by structured engagements with Mine management, workers' representatives, subcontractors, and officials from the Ministries of Industries, Mines, Energy, Justice, and Labour Relations.

A standardised checklist was developed and utilised to assess compliance with labour legislation, occupational health and safety regulations, employment practices, subcontracting arrangements, and corporate social responsibility commitments across the mining sector.

6. REGIONAL MEETINGS HELD

6.1 Oshikoto Region

6.1.1 Meeting with the Governor of Oshikoto Region

Despite prior confirmation of the Committee's visit by the Regional Council, the Committee was unable to meet with the regional leadership due to conflicting official commitments.

6.1.2 Meeting at Sino Mine, Tsumeb

1) Overview of the Mine

Mining operations in Tsumeb commenced in 1905. Due to ore depletion, operations have transitioned from mining to smelting and processing. The Mine continued beneficiation activities under successive operations, including Weatherly, Dundee, and now Sinomine. A new processing plant valued at approximately N$2 billion is under construction, and plans are underway to reprocess historical tailings.

However, declining copper concentrate supplies and increased global smelting capacity have resulted in ongoing retrenchments, which management indicated were conducted in consultation with workers' representatives.

2) Workers' Representatives' Concerns

The workers are represented by the Mineworkers Union of Namibia (MUN). It was indicated that a recognition agreement exists between the parties; however, the relationship between management and the union is not conducive. The workers' representatives reported that the Mine initiated a voluntary separation process to determine separation packages. However, the union has not been involved, despite numerous attempts to engage management in accordance with the principles of social dialogue. Management has continued to refuse worker representation in what it has classified as a voluntary retrenchment process. Workers raised concerns that management has applied a divide-and-rule approach, which has pressured some employees to accept voluntary retrenchment packages without union representation

Furthermore, workers expressed concern that the voluntary retrenchment packages do not include retention or recall provisions that would allow retrenched employees the option to return should mine operations improve. The packages offered to the affected workers were reportedly inadequate, according to their representatives.

The Committee was further informed that, while the company was offering voluntary retrenchment packages, it was concurrently recruiting new employees and outsourcing certain functions to subcontractors performing the same duties as those previously carried out by the retrenched workers. It was further reported that retrenched employees were being advised to apply for employment with the subcontractors, which offered lower wages and did not provide any form of social protection.

Workers raised several concerns before the Committee regarding labour practices and working conditions. Firstly, employees reported poor treatment by subcontractors, citing inadequate occupational health and safety standards as well as insufficient provision of personal protective equipment (PPE).

Secondly, concerns were expressed about job insecurity resulting from the outsourcing of positions previously occupied by retrenched workers. Workers further criticised the use of voluntary separation packages, alleging that these were implemented as a mechanism to circumvent Section 34 of the Labour Act.

Additionally, the Committee was informed that recruitment practices have favoured the employment of individuals from outside Tsumeb, while former employees residing in Tsumeb remain unemployed.

Lastly, workers indicated that current working conditions and employee benefits under Sinomine have deteriorated significantly and are perceived to be worse than those that prevailed under the previous management of Dundee Mine.

3. Corporate Social Responsibility

The Committee noted with concern that no information was provided regarding the company's Corporate Social Responsibility (CSR) commitments, policies, or initiatives, particularly those relating to employee welfare and social responsibility obligations.

The absence of such information raised significant concerns regarding:

- Transparency in corporate governance practices;
- Compliance with applicable labour legislation and accepted social standards; and
- The company's commitment to employee well-being and broader stakeholder responsibilities.

6.2. Otjozondjupa Region

6.2.1 Meeting at Ohorongo Cement Plant

1) Overview of the Cement Plant

Ohorongo Cement is primarily a manufacturing company, with 90% of its operations focused on cement production. The company benefits from a full local value chain, with Limestone being abundant for over 300 years, and Iron Ore sourced from Lodestone near Dordabis, as well as the Gypsum that is sourced from the Erongo region.

2) Challenges and Threats

The Committee was informed about the expected ban on the exportation of the 50 kg cement bags by Botswana, which management warned could severely impact business. It was further explained that cement was a low-value product and such a move could have serious implications for its operations. As such, ongoing operational challenges like that could threaten company sustainability and may lead to further worker retrenchments; the last retrenchment occurred in 2019.

3) Management Requests

Facilitate free trade in Africa and urgently address opportunities beyond Botswana's anticipated import ban on the 50kg cement bags. Protect the company from unfair competition from Cheetah, which allegedly imports cheap processed cement.

4) Worker Concerns

The Committee was informed about concerns relating to outsourcing decisions made without worker consultation, it was reported that a packing line was outsourced despite the existence of internal capacity to perform the work. The members requested greater transparency regarding outsourcing costs. They further proposed assuming responsibility for the outsourced services at fair and equitable rates in order to prevent the exploitation of subcontracted employees.

5) Social Corporate Responsibility

Ohorongo Cement's corporate social responsibility (CSR) initiatives are primarily focused on benefiting surrounding communities, with particular emphasis on education, health, and housing. However, the company's efforts in supporting its own employees are notably limited. The sole reported initiative in this regard is the provision of a single pallet of cement to employees engaged in house construction. This intervention is minimal and falls short of expectations when considered in light of the company's operational capacity, profitability, and its responsibility to promote the welfare of its workforce.

6.2.2 Meeting at B2 Gold Mine

1) Overview of the Mine

The B2 Gold Mine operates two underground operations, which are expected to continue until 2027, with stockpiles supporting operations until 2032. The Mine employs only directly hired staff and does not use subcontractors.

2) Workforce Reduction

Workforce downsizing began in 2022, reducing staff from approximately 900 to 395. The Committee was informed that 180 positions were frozen. Followed by voluntary and involuntary retrenchments, with equal compensation packages. By 2024, 68% of retrenchments were voluntary. The Mine emphasised that retrenchments in mining were unavoidable as it was often linked to economic downturns and falling commodity prices.

3) Economic Contributions

Between **2015 and 2024**, the Mine contributed over **USD 2.9 billion** to Namibia's economy through: Local procurement; Taxes; Wages; Shareholder returns. Additionally, it invested over USD 280 million in corporate social responsibility initiatives.

4) Skills and Recruitment

The Chief Executive Officer of the Chamber of Mines explained that:

Namibia has experienced a decline in specialised underground mining skills, primarily due to the closure of Tsumeb Corporation Limited (TCL) Mine in Tsumeb and other local mines, as well as the retirement of experienced professionals. This shortage of local expertise raises concerns about the need to recruit foreign personnel for underground operations.

5) Workers Concerns

The workers formally reported no labour disputes during the engagement. The Committee was also informed that labour relations between the company and the union are described as stable. It was further noted that, in the case of the voluntary retrenchment process, the union had been duly informed in advance, and that workers were represented throughout, ensuring the conclusion of the voluntary retrenchment agreement.

6) Social Corporate Responsibility

The Committee was informed that the company's corporate social responsibility investments are predominantly directed towards community-based initiatives, including primary health care and development projects such as the Ombili Clinic, Ombili Primary School, and the Otavi Water Project, as well as support for conservation institutions, including the Nature Conservancy and Rhino Conservancy. While these initiatives are acknowledged, the Committee noted a clear imbalance between community-focused projects and direct social investment in the welfare of the company's own employees.

Although the Mine reportedly attempted to acquire land from the Otjiwarongo Town Council for the development of employee housing, the application was not favourably considered by the Town Council. As a result, there remains a significant gap in tangible, sustainable social benefits directly accruing to workers, particularly in critical areas such as housing security and long-term employee welfare.

6.2.3 Meeting with the Governor of Otjozondjupa Region

During the courtesy call, the Governor raised the following issues for consideration by the Committee:

1) Mining and Exploration Licensing (EPLs)

The Governor called for the investigation of the Division: Mapping within the Ministry of Industries, Mines, and Energy. According to him, once an application for exploration was granted and deposits were found, the Division needed to follow the right procedures. He questioned how long the Ministry should continue issuing Exclusive Prospecting Licences (EPLs) unconditionally, particularly to inexperienced individuals. On that, he proposed a mineral resources conference to be organised and to address challenges in awarding EPLs. He emphasised that EPLs should be granted with conditions, including a minimum of 30% local shareholding.

2) Map drawing system

The Governor further stated cases of falsified records, false licences, and other corrupt practices must be investigated.

3) Inactive mining licences

According to him, certain licenses have remained active for over 20 years without any associated mining activity. Furthermore, officials within the ministry continue to provide protection to these license holders, effectively compromising the country's interests.

4) Call for accountability

The Governor further said that those involved in fraudulent or corrupt practices must be investigated and removed from office.

5) Specific Mining Issues - Lithium case

The Governor brought to the Committee's attention a case involving an Exclusive Prospecting License (EPL) that was revoked under unclear circumstances from its rightful owner. Subsequently, the EPL was transferred and sold to a Chinese company by the new holder, while the original owner remains in abject poverty. The Governor emphasized that the handling of this case warrants urgent investigation by the Committee.

6) Okorusu Mine

The Governor also informed the Committee that local youth possess the technical expertise required for mineral extraction, specifically at the Okorusu Mine but remain largely excluded due to systemic barriers. According to the Governor, while these unemployed youths have the capacity to engage in mining activities, they are unable to do so because of the stringent criteria currently imposed on mining operations.

7) Employment in Mines

The Governor expressed concern that recruitment practices in the mining sector tend to favour external candidates, resulting in the exclusion of residents from surrounding communities. He emphasized the need to prioritise the employment of individuals living in close proximity to mining operations.

In reference to the committee meeting with B2Gold Mine, the Chairperson shared the following with the Governor for further consultation in the region:

1) Housing and Poverty Alleviation

The Committee was informed that the B2Gold Housing proposal to acquire land in Otjiwarongo to provide housing for its employees was withdrawn. The Chairperson emphasised that the government should support employers capable of providing adequate housing, as such initiatives can play a significant role in addressing housing shortages, alleviating poverty, and disrupting the cycle of intergenerational deprivation.

2) B2Gold Mine Concerns

Despite the discovery of an additional ore deposit at the mine, B2Gold continues to state that the Mine was approaching the end of its operational life. Concurrently, the Mine was implementing retrenchments of existing employees while hiring new staff under alternative contractual arrangements. Although the voluntary retrenchment packages offered may appear financially attractive in the short term, they may not ensure sustainable long-term financial security for affected workers. These inconsistencies in workforce management and the potential implications for employee welfare warrant a thorough and independent investigation.

6.2.4 Meeting Cheetah Cement (Whale Rock Cement), Otjiwarongo

1) Overview of Cheetah Cement Plant

Cheetah Cement began operations in 2018 following a merger, though proof of the merger was not provided.

The following issues of concern were raised by the workers' representatives

a) Retrenchments and Labour Practices

Regarding the Committee's inquiry on whether any employees had been retrenched, the Management of Cheetah Cement reported that two dismissals occurred in 2021, one due to poor performance and the other on grounds of ill health. The Committee questioned why these cases were classified as retrenchments and further noted that the union was not involved in either instance.

b) Procurement and Economic Investment
The Committee was informed that the procurement of protective equipment remains heavily reliant on imports from China, resulting in the underutilisation of local suppliers, largely due to perceived financial constraints. This approach overlooks local and regional businesses in outsourcing decisions, undermining community development objectives and failing to align with expectations for local economic empowerment.

c) Health, Safety, and Employee Welfare
The Committee was further informed of significant health and safety violations, including the provision of second-hand and unsanitary overalls previously worn by dismissed employees, as well as inadequate personal protective equipment (PPE). Employee training was found to be insufficient, with inexperienced personnel expected to perform tasks beyond their competency, such as handling high-voltage electrical work.

Regarding housing initiatives, efforts undertaken in 2019 were unsuccessful due to financial constraints, primarily stemming from high land costs and stringent municipal requirements.

d) Labour Relations and Contract Issues
The Committee noted with concern that not all workers at Cheetah Cement were unionised. As employees under the Africa Personal Services (APS) labour-hire were excluded from union membership and associated protections.

It was further reveal that permanent employees were often employed on uncertain fixed-term contracts, creating job insecurity despite permanent status. In the case of the APS employees, they were employed on insecure, lower-paid contracts, lacking access to benefits such as medical aid.

The Committee took note that the majority of workers were subjected to one-month contract renewals, contributing to employment instability.

e) Employment Practices and Skills Transfer
The Committee was also informed that the key technical positions were occupied by Chinese personnel, with no Namibian engineers in these roles. Recruitment practices appear to favour select individuals, restricting skills development and advancement for local staff. Current

workforce was reported as 99 Namibians, 31 Chinese on fixed-term contracts, and 81 fluctuating number of APS labour-hire employees.

f) Social Corporate Responsibility

The Committee established that Cheetah Cement does not have a defined or structured corporate social responsibility strategy specifically directed towards its employees. Instead, the Committee was merely informed of isolated and once-off donations of food parcels and cement to surrounding communities, for which no detailed information, documentation, or impact assessment was provided. This absence of a clear strategy and transparency raises serious concerns regarding the company's commitment to the social welfare of its workforce and its accountability in implementing meaningful corporate social responsibility initiatives.

6.3 ERONGO REGION

6.3.1 Meeting with the Governor of Erongo Region

The Governor welcomed the Committee's focused approach and urged it to exercise its mandate with authority. She highlighted community concerns, including poor communication on EPLs, unrehabilitated mining sites posing risks to animals, and the need for properly managed corporate social responsibility initiatives to ensure sustainable development rather than dependency. On land issues, she noted that while town councillors allocate land for housing. The municipalities' bureaucratic systems hinder the availability of land. Overall, she emphasised that the Erongo Region maintains a generally healthy relationship with mining companies, supported by mutual understanding, even where communities hold minority shares.

6.3.2 Meeting at Namibia Uranium Association (NUA), Swakopmund

The Association was established to enable senior executives in Namibia's uranium industry to shape the context in which their industry operates. Due to time constraints, the Committee met most of the representatives of mines that the Committee could not visit at the NUA in Swakopmund.

According to the representative of the Mineworkers of Namibia, the mining sector faced serious challenges. It was stated that retrenchment and outsourcing were like the contract system that workers fought against. The one-year contract system affects trade union membership. In addition, the health and safety of employees have deteriorated due to outsourcing. In most cases, the number of permanent employees is less than the number of outsourced employees, resulting in weakened bargaining powers. Even though there are recognition agreements in place, the unions are not involved in voluntary separation negotiations.

The Committee was unable to engage the Bannermann Mine representatives as the Mine was still under construction, and there was not much happening. The Langer Heinrich Uranium Mine informed the Committee that it has a 17-year lifespan, with two years dedicated to reclaiming medium-grade stockpiles, 7 years of active mining, and 8 years of reclaiming lower-grade stockpiles. The Mines has a total of 409 employees, of which 391 are permanent employees, and 18 are fixed-term employees. The Mine has an employee recall provision, and of the 110 employees retrenched, were recalled. The Mine presented a satisfactory contribution to the employees' development through bursaries and corporate social contributions.

6.3.3 Meeting at Swakop Uranium/Husab Mine, Swakopmund

1) Overview of the Mine

Swakop Uranium Mine, recognised as the world's third-largest uranium producer, is projected to operate until 2044. Having commenced operations in 2014, the Mine achieved its first profit in 2024. Over the years, the Mine has invested N$12 billion in procurement, of which N$7 billion was sourced locally, and has contributed N$20 million to corporate social investment programs. Permanent employees represent approximately 89.9% of the workforce, reflecting a largely stable core of staff.

2) Employee Concerns and Subcontracting Practices

Union representatives expressed a need for protection from victimisation or reprisals when addressing the Committee, highlighting a restricted environment for freedom of association at Husab Mine. Workers' and shop stewards' rights were reported to be systematically undermined, raising concerns regarding compliance with labour legislation, constitutional rights, and internationally recognised principles on collective representation.

Key issues raised during the meeting included:

- **Subcontracting Practices:** Subcontracted employees reportedly experience limited union representation, lower wages, and increased job insecurity.
- **Shift Exemptions Dispute:** An ongoing disagreement between the union and management regarding exemption from continuous shift hours has heightened tensions and strained labour relations.
- **Broader Workforce Impact:** Labour disputes affect both direct employees and subcontracted staff, demonstrating wider repercussions of management decisions.
- **Dismissal of Shop Steward:** The termination of a shop steward at Akulya Mining Services, a subcontractor, was highlighted as a major labour concern.
- **Safety Concerns:** Subcontracted workers reported unsafe conditions, specifically the proximity of an ammonium tank to worker housing. The Committee instructed the mine inspector to investigate and take measures to mitigate potential hazards.

The Committee's findings indicate systemic issues in labour practices and subcontracting arrangements, requiring urgent attention to ensure compliance with legal, constitutional, and international labour standards.

3) Allegations Against Beifang Subcontracting Company

Serious labour violations were reported against the Beifang Subcontracting Company. Allegations included unilateral reductions in wages, denial of lunch breaks, and the use of defective machinery.

These practices prompted the Committee to question the awarding of contracts to subcontractors under such conditions. Management was reminded of its responsibilities under the Mines, Works and Minerals Ordinance 20 of 1968 and the need to uphold legal and ethical labour standards.

4) Management and Governance Issues

Additional concerns were raised regarding the governance and compensation structures at the Mine. Salaries for workers have reportedly remained stagnant since the Mine's inception, while executive positions continue to be dominated by non-Namibians due to the ownership structure. This imbalance has contributed to employee dissatisfaction and highlights the need for a more inclusive leadership approach.

5) Committee Directives and Recommendations

The Committee urged management to establish transparent communication channels, address employee concerns promptly and without intimidation, and take immediate measures to ensure a safe working environment. It was recommended that subcontracting practices be reviewed to prevent further labour violations and promote fair treatment of all employees.

6) Corporate Social Responsibility

The Committee was informed that the Mine operates a foundation, the Swakop Uranium Foundation, which is primarily aimed at poverty reduction, as part of its corporate social responsibility initiatives. While the mine has established a Business Sustainability Project to support communities in small-scale farming. The Committee noted that direct social investment in employees remains limited, particularly in addressing critical needs such as housing. There is a persistent housing challenge in the region, with difficulties in acquiring land from local town councils to build adequate housing for employees.

Although the mine has invested significantly in employee skills development, the Committee is concerned that these initiatives, while positive, do not sufficiently address essential welfare and social security needs, highlighting a gap between corporate social responsibility rhetoric and the tangible benefits available to the workforce.

6.3.4 Meeting at Rössing Uranium Mine, Arandis

1) Overview of the Mine

Rössing Uranium Mine is one of the world's largest operating open-pit uranium mines. The Mine acquired its mining rights in 1966 and started its operations in 1976. (Chamber of Mines)

2) Operational and Financial Challenges

Rössing Uranium Mine faces potential closure due to low uranium sales, which are currently limited to a Chinese nuclear power station, with monthly operational costs of N$450 million. Equipment shortfalls valued at N$1.2 billion further strain the operation.

3) Workforce Reductions and Outsourcing Plans

The workforce has decreased from over 800 in 2013 to 401 in 2023. Of these, 218 opted for voluntary separation, 176 were redeployed, facing uncertainty ahead of the full outsourcing planned for 2027. Retrenchments remain contested by the union.

4) Employee Welfare and CSR

Despite investing N$61 million in CSR initiatives in 2024 and positioning itself as a competitive employer, the company faces persistent worker dissatisfaction over wages, medical aid, leave entitlements, and working conditions. Which the managers believed to be reasonable in comparison to the employee benefits of other mines.

5) Key Employee Concerns

Contracted staff now outnumber permanent employees, significantly weakening union influence, while the subcontractor Beifang refuses to recognise existing agreements. At the same time, management has implemented policy changes without any consultation, creating further tensions. Workers face serious safety risks due to excessive dust, defective equipment, and a lack of adequate protective gear. In addition, employees were being denied leave, incentive bonuses, and even lunch breaks while working continuous shifts.

6) Subcontractor Response

Beifang emphasised it was a service provider, not a mining company. Salaries were reviewed periodically, and safety follows Mine standards using company equipment, which naturally deteriorates over time.

6.3.5 Meeting at Navachab Mine, Karibib

1) Overview of the Mine

The Navachab Mine is Namibia's oldest pit Mine, producing gold bullion, which is refined for onward sales at the Rand Refinery in South Africa (Chamber of Mines).

2) Workforce and Operational Costs

Navachab Mine currently employs more than 1,300 workers, making it a significant source of employment in the region. Operational commission costs amount to over N$1 billion annually. The Mine has announced plans to outsource its underground operations to an Australian company. This outsourcing arrangement will be accompanied by a skills transfer programme, to be managed through an understudy system, ensuring that local employees are trained and equipped with the necessary expertise for future operations.

3) Historical Challenges and Turnaround Strategy

In 2018, Navachab Mine faced a severe crisis that nearly led to closure, placing over 400 jobs at immediate risk. However, through renewed investment and a robust, employee-driven turnaround strategy, operations were sustained. Employees demonstrated exceptional commitment during this difficult period, and their dedication was publicly acknowledged by management as a central factor in the Mine's survival and recovery.

4) Employee Welfare and Benefits

The Mine has made significant investments in employee welfare. More than 200 houses have been constructed, of which 71 have already been sold to employees. Additionally, land has been provided to facilitate further housing development for staff. All employees are covered by a comprehensive medical aid scheme, ensuring access to quality healthcare for themselves and their families.

To enhance skills development, Navachab established a fully equipped on-site training institute valued at N$3 million. The Mine also supports the education of employees' children through the payment of school fees. Collectively, these initiatives highlight the company's commitment to improving the quality of life of its workforce and their dependents.

5) Financial Recovery and Contributions

Although the Mine previously faced difficulties in meeting its tax obligations, it has since recovered financially. One of the major cost burdens remains electricity expenditure, which exceeds N$100 million annually due to its ongoing exploration activities. Despite these challenges, Navachab distinguishes itself as the only mine currently paying dividends to Epangelo Mining, thereby contributing positively to the national mining sector and the state-owned entity's financial position.

6) Employee Ownership and Reward Systems

The Committee wanted to know why employees were not granted shareholding opportunities, given their vital role in rescuing the Mine during its most challenging period. In response, management explained that Navachab already offers the highest bonuses in the Namibian mining industry. Nonetheless, management acknowledged the proposal for employee shareholding and confirmed that the matter will be given due consideration in future incentive structures.

7) Labour Relations and Union Engagement

Navachab Mine employees are unionised, providing formal representation for their interests. While subcontracted workers are not unionised, they receive support from the Mine's employee representatives on matters affecting their welfare. The Mine upholds an open-door policy that promotes direct dialogue between management and staff, facilitating the fair and amicable resolution of labour and industrial issues. This approach has contributed to the maintenance of stable and constructive labour relations at Navachab Mine.

6.4. /KARAS REGION

6.4.1 Meeting with the Governor, /Karas Region

The Governor praised the Committee for its initiative in overseeing the mining sector and urged Members to exercise due diligence in fulfilling their mandate, reminding them that they are entrusted by the electorate to serve with dedication. He stressed that the Committee's mandate is both demanding and crucial, calling on Members to investigate the root causes of unrest within the mining industry.

He observed the need to review the legal framework governing mining, noting that issues such as retrenchments are often misunderstood in the absence of proper dialogue between companies and stakeholders. He further emphasised the importance of corporate social responsibility (CSR), cautioning that while CSR is positive, companies must not treat communities as passive recipients or mere property. Instead, they should recognise people as vital contributors deserving of respect and engagement.

6.4.2 Meeting at Namdeb Mine, Oranjemund

The Committee conducted engagements with Namdeb management, subcontractors, and employees to evaluate employment practices in the mining sector. The discussions focused on recruitment, inclusivity, remuneration, outsourcing, employee welfare, and the role of government oversight in safeguarding workers' rights.

1) Overview of the Mine

Namdeb Diamond Corporation is a wholly owned subsidiary of Namdeb Holdings, a 50:50 joint venture between De Beers and the Government of the Republic of Namibia. (Chamber of Mines)

2) Employment and Recruitment

Namdeb confirmed that all direct employees are remunerated under the same pay structure. Recruitment is drawn from all regions of Namibia, although accommodation challenges result in preference being given to local applicants. Concern was expressed regarding the low absorption rate of young people into the sector.

3) Outsourcing and Subcontracting

Contrary, the Committee noted that there were significant disparities between the salaries of direct employees and subcontracted workers performing the same duties. Management has acknowledged the existence of this inconsistency, which compromises the principle of equal pay for equal work. Namdeb currently operates without a formal outsourcing policy. Outsourced services are preferably awarded to Namibian companies, except where specialised foreign expertise is required.

Workers raised concerns over subcontractors' inadequate accommodation, long working hours, insufficient PPE, and limited access to employee benefits.

4) Employee Benefits and Welfare (Direct Employees)

Voluntary separation packages were offered to all employees, including management, with union involvement. Employees are provided with housing allowances and are afforded opportunities to purchase houses at discounted rates. Namdeb refunds up to 87% of study fees, and employees' children benefit from discounted private schooling and nurseries.

Personal protective equipment (PPE) is sourced locally, and Namdeb has demonstrated a strong commitment to corporate social responsibility (CSR) through community development initiatives. However, employees have raised concerns regarding whether these CSR efforts adequately address their direct welfare needs, including housing, healthcare, and education.

5) Subcontractor Concerns (Lewcor Case)

Workers employed by Lewcor reported overcrowded accommodation, with promises of improved housing remaining unfulfilled. Extended working hours of more than 12 hours have led to fatigue and pose risks to both health and safety.

PPE provided to subcontractor employees is reportedly of inadequate quality, exposing workers to occupational hazards. Workers indicated limited access to medical aid. Unionisation challenges were reported, with workers moving from the Mineworkers Union of Namibia (MUN) to the Revolutionary Union (RU), while recognition agreements remain pending.

6) Role of Government

Employees expressed disappointment with the Ministries of Justice, and Labour Relations and Industries, Mines, and Energy for failing to adequately protect subcontracted employees. employee representatives, emphasised the need for stronger oversight to guarantee fair and equitable treatment of all workers across the sector.

6.4.3 Meeting at Rosh Pinah Mine

1. Overview of the Mine

The Rosh Pinah Zinc Mine is one of the largest and important zinc and lead producing Mines in Namibia.

2) Committee Observations/Findings during the meeting

During the meeting, Committee Members noted that workers were unable to express their concerns freely due to fear of losing their employment. Workers had previously submitted complaints to management regarding their salaries, but these requests were not adequately addressed. Many employees work under short-term contracts, creating a pervasive sense of job insecurity. It was further highlighted that subcontracted employees receive only medical aid benefits, with no pension or housing allowances.

The Committee sought to hear directly from the Mine's legitimate workers' representatives. However, Committee Members observed that the individuals presenting were not genuine employee representatives and therefore instructed that the presentation be halted. Committee

Members expressed serious concern regarding the Mine's current operations and strongly urged management to review its practices and improve industrial relations with employees.

6.5 KHOMAS REGION

6.5.1 Meeting at Lodestone Mine, Dordabis

Overview of the Mine

Lodestone Mine is an iron mining operation, located approximately 75 kilometres from in Dordabis, Windhoek Rural area in. It is a small operation of 9 permanent employees on a full-time basis. During production, they engage a subcontractor who recruits temporary employees for a period of three months. The other service outsourced is the security services. The company had not experienced any retrenchment challenges.

7 KEY FINDINGS ACROSS ALL MINES

1) Employment and Recruitment

- Permanent employees generally receive better wages and benefits than subcontracted workers performing similar tasks. Subcontracted employees report short-term contracts, poor housing, limited medical aid coverage, and reduced job security.
- Recruitment processes were perceived in certain instances as lacking transparency and disadvantaging local young people.

2) Retrenchments

- Retrenchments were often implemented concurrently with outsourcing measures. Some retrenched employees were reportedly re-engaged through subcontractors at reduced wages and benefits.
- Concerns were raised regarding adequacy of consultation and compliance with Section 34 of the Labour Act 11 of 2007.

3) Occupational Health and Safety (OHS)

- Reports include defective or delayed PPE replacement, excessive dust exposure, defective, and extended working hours without adequate rest.

- Other concerns raised were the close exposure to hazardous materials, and inadequate training for high-risk tasks.
- Monitoring of subcontractor compliance was inconsistent across operations.

4) Subcontracting and Outsourcing

- At most operations, subcontracted employees often outnumber permanent employees, thus weakening union influence.
- Retrenchments are widespread and are sometimes used alongside outsourcing to avoid legal protections. Workers who are retrenched are often denied fair severance pay and are not guaranteed the chance to be rehired, raising serious concerns about the mine's treatment of mine employees.
- Limited oversight of subcontractors leads to wage disparities, unsafe conditions, and denial of benefits such as leave and lunch breaks.

5) Skills Development

- Skills transfer initiatives are inconsistent and poorly implemented, leaving local employees heavily dependent on foreign expertise. This is especially evident in technical and underground mining operations, where mines lack a clear strategy to build the skills and capacity of local workers, undermining long-term workforce development and local empowerment.

6) Corporate Social Responsibility (CSR)

- Corporate Social Responsibility (CSR) initiatives vary widely and frequently fail to address the direct welfare needs of workers, particularly subcontracted employees. Despite their daily contributions to the profitability of the mines, these workers receive little to no tangible socio-economic benefits from CSR programs, highlighting a significant disconnect between company initiatives and the well-being of their workforce.

8. PUBLIC DIALOGUE ON DECENT WORK IN THE MINING SECTOR

The Public Dialogue on Promoting Decent Work in the Mining Sector was convened as a necessary extension of the Committee's oversight investigation to broaden the reform discourse beyond site-level findings and regulatory non-compliance.

While the Committee Report documented structural challenges such as labour hire practices, retrenchment trends, occupational safety deficiencies, and skills localisation gaps, the Dialogue created a multi-stakeholder platform bringing together Parliament, the International Labour Organisation, the Chamber of Mines of Namibia, Trade Union, and relevant Ministries to contextualise these findings within national policy, legislative reform processes, regional and international labour standards.

The engagement was necessary to build institutional consensus, identify immediate legislative entry points, particularly concerning the Labour Act 11 of 2007 and the Occupational Safety and Health Bill, and to ensure that oversight findings translate into coordinated, implementable reforms rather than isolated compliance interventions.

(The Report emanating from the Public Dialogue is hereto attached as Annexure 1.)

9. CONCLUSION

The committee is persuaded that outsourcing, while often justified as a tool for cost-efficiency measures, must not erode workers' rights or undermine host communities. Mining is not just an economic activity; it drives livelihoods, social cohesion, and national development. If left unchecked, these practices risk entrenching a dual labour market characterised by inequality, insecurity, and weakened collective bargaining. Outsourcing risks creating a dual labour market and depriving local communities of the full benefits of their natural resources.

The sustainability of the mining sector depends on balancing economic efficiency with social responsibility and strict compliance with labour standards.

10. RECOMMENDATIONS

The Committee recommends that the Ministries of **Industries, Mines and Energy (MIME)** and **Justice and Labour Relations (MoJLR)** take urgent, coordinated action to ensure that the mining sector upholds labour rights, promotes local employment, and protects the welfare of all workers, including subcontracted employees. These recommendations also identify areas where Namibian law and regulations need to be amended to align with labour rights obligations.

10.1. **Employment Equity and Recruitment - Implementing Ministries: MIME, MoJLR**

Recommendations:

a) Establish fair and transparent recruitment practices that prioritise qualified local workers in accordance with the Labour Act, 11 of 2007 (Sections 1, 2, and 5 on equality and non-discrimination) and the Affirmative Action (Employment) Act, 29 1998.

b) Extend union recognition and labour rights to subcontracted employees, ensuring that collective bargaining rights apply to all categories of mine workers, aligning with ILO Convention 87 (Freedom of Association) and Section 7 of the Labour Act, 11 of 2007.

c) Formalise employment contracts for all workers, including subcontractors, in line with Section 32 of the Labour Act 11, of 2007, to ensure clarity of terms, rights, and obligations.

d) Amend the Minerals (Prospecting and Mining) Act, 33 of 1992, or include labour rights obligations in all mining licenses, making the protection of labour rights a mandatory compliance condition for license issuance and renewal.

10.2 **Retrenchment Practices - Implementing Ministries: MoJLR, MIME**

Recommendations:

a) Strictly adhere to Section 34 of the Labour Act 11 Of 2007, ensuring mandatory consultation with unions, fair severance pay, and options for re-employment for retrenched workers.

b) Prohibit the use of outsourcing as a mechanism to bypass retrenchment obligations, and require that subcontractor arrangements comply fully with labour law protections.

10.3 **Occupational Health and Safety (OHS) - Implementing Ministries: MoJLR, MIME**

Recommendations:

a) Conduct regular OHS audits covering both direct and subcontracted employees, with results submitted to MoJLR for enforcement action.

b) Ensure provision of adequate PPE and comprehensive safety training, with strict enforcement of compliance by subcontractors, in line with the Occupational Health and Safety Regulations, Regulation 156 of 1997.

c) Guarantee that high-risk operations comply with legal safety standards, and impose penalties for non-compliance affecting any worker.

10..4. **Subcontracting Oversight - Implementing Ministries: MoJLR, MIME**

Recommendations:

a) Develop and enforce a formal subcontractor management policy aligned with Namibian labour law to regulate employment terms, wages, and conditions.

b) Monitor subcontractors to ensure compliance with legal requirements on wages, working hours, leave entitlements, and benefits.

c) Extend union recognition agreements to subcontracted employees, ensuring all workers have access to representation and collective bargaining.

10.5. **Skills Transfer and Capacity Building - Implementing Ministries: MIME, MoJLR**

Recommendations:

a) Implement structured, measurable skills transfer programs to reduce reliance on foreign experts, particularly in technical and underground mining operations.

b) Promote apprenticeships, technical training, and mentoring programs for local employees, with progress reports submitted to MIME and MoJLR for oversight.

10.6. **Employee Welfare and Corporate Social Responsibility (CSR) - Implementing Ministries: MIME, MoJLR**

Recommendations:

a) Ensure CSR initiatives directly benefit employees, including housing, medical aid, education, and livelihood support, not only surrounding communities.

b) Incorporate employee participation in CSR decision-making, allowing workers to influence how programs address their welfare needs.

10.7. **Government and Regulatory Oversight - Implementing Ministries: MIME, MoJLR**

Recommendations:

a) Strengthen monitoring of Exploration and Production Licenses (EPLs), inactive licenses, and compliance with labor laws, linking licensing to compliance with worker welfare obligations.

b) Promptly investigate retrenchments, outsourcing, and unfair labor practices, and take enforcement action against companies violating labor standards.

c) Facilitate regular platforms for dialogue among mining companies, employees, and unions, institutionalising social dialogue as required under Section 7 of the Labor Act and ILO Convention 144.

d) Submit quarterly progress reports to the Committee, detailing actions taken to address labor rights shortcomings identified during oversight visits, including remedial measures and timelines.

10.8 **Legislative Reform Implementing Ministries: MoJLR, MIME**

Recommendations:

a) Fast-track the enactment of the Occupational Safety and Health (OSH) Bill to strengthen workplace protections across the mining sector.

b) Amend the Labour Act 11 of 2007 to clearly define and regulate labour hire arrangements, prohibit retrenchment–rehire loopholes, strengthen Section 34 retrenchment safeguards, and embed the principle of equal pay for equal work.

c) Modernise the Mines, Works and Minerals Ordinance 20 of 1968 to align with contemporary occupational risks and international best practice standards.

d) Consider ratifying the ILO Convention 176 to reinforce compliance with global mine safety standards.

10.9 Occupational Health and Safety

Implementing Ministries: MIME, MoJLR
Recommendations:

a) Prioritise OSH reform as the benchmark intervention for restoring sectoral credibility and worker confidence.

b) Introduce mandatory compliance audits that extend to subcontractors and labour hire entities.

c) Increase the capacity of the labour inspectorate and implement digital inspection reporting tools to enhance enforcement efficiency and transparency.

10.10 Labour Hire and Retrenchment Oversight

Implementing Ministries: MIME, MoJLR, Chamber of Mines

Recommendations:

a) Establish a formal national retrenched-worker database linked to re-employment and reskilling opportunities.

b) Make principal mining companies legally accountable for subcontractor compliance with labour laws.

c) Require advance disclosure and transparent consultation processes for outsourcing arrangements and voluntary separation schemes.

10.11 Skills Development and Youth Integration

Implementing Ministries: MIME, MoJLR, MEIYSAC, MHAISS

Recommendations:

a) Mandate structured skills-transfer clauses within all mining license conditions.

b) Introduce enforceable apprenticeship quotas for youth participation in mining operations.

c) Align Technical and Vocational Education and Training curricula with emerging mining technologies and automation trends.

d) Develop a national reskilling and Just Transition framework to mitigate displacement arising from mechanisation and automation.

e) Trade Unions' representation at the Immigration Selection Board.

10.12 **Gender Equality**

Implementing Ministries: MIME, MoJLR, MGECW, Chamber of Mines

Recommendations:

a) Introduce measurable gender inclusion targets as part of mining license conditions.

b) Require annual gender-disaggregated employment reporting by mining companies.

c) Upgrade workplace infrastructure to support safe and inclusive participation of women in mining operations.

10.13 **Data and Evidence Systems**

Implementing Ministries: MIME, MoJLR, Chamber of Mines

Recommendations:

a) Establish a national Labour Market Information System in collaboration with the International Labour Organisation and the Namibia Statistics Agency.

b) Pilot quarterly labour reporting within the mining sector to improve evidence-based oversight.

10.14 **Institutional and Social Dialogue Reform**

Implementing Ministries: MIME, MoJLR, Chamber of Mines

Recommendations:

a) Institutionalise quarterly tripartite mining forums under parliamentary oversight to strengthen structured social dialogue.

b) Enhance coordination between Parliament, the Chamber of Mines of Namibia, trade unions, and line Ministries.

c) Integrate enforceable social and labour plan obligations into mining license conditions to ensure accountability and sustainable sector governance.

11. MEMBERS' SIGNATURES

Member	Signature
1.Hon. Justina Jonas - Chairperson	
2. Hon. Salomon April - Deputy Chairperson	
3. Hon. Sirkka Ausiku	
4.Hon. Modestus Atshipara	
5. Hon. Clemencia Coetzee	
6. Hon. Royal J.K /Ui/o/oo	
7. Hon. Eneas Emvula	
8. Hon. Lilian Lutuhezi	
9. Hon. Alexia Manombe-Ncube	
10.Hon. Alpheus G !Naruseb	
11. Hon. Fredrick T. Shitana	
12. Hon. Hendrik Gaobaeb	
13. Hon. Vaino T.T. Hangula	
14. Hon. Elvis M. Lizazi	
15. Hon. Uahekua Herunga	
16. Hon. Hilma N. Iita	
17. Hon. Ambrosius Kumbwa	
18. Hon. Rodrick Likando	
19. Hon. Lucia Mbuti	
20. Hon. Winnie Moongo	
21. Hon. Ephraim T. Nekongo	
22. Hon. Natangwe Ithete	
23. Hon. Borniface Susiku	

Date ____________________

(For the Report on the Oversight Visits to the Mining Sector)