

Collective Bargaining Agreement: Zimbabwe Energy Industry

IT is hereby notified that the Minister of Public Service, Labour and Social Welfare has, in terms of section 80(1) of the Labour Act [*Chapter 28:01*], approved the publication of the Collective Bargaining Agreement set out in the Schedule which further amends the agreement published in Statutory Instrument 50 of 2012, registered in terms of section 79 of the Labour Act [*Chapter 28:01*].

SCHEDULE

NATIONAL EMPLOYMENT COUNCIL FOR THE ZIMBABWE
ENERGY INDUSTRY

Memorandum of Agreement

Reached by and between

ZESA Holdings (Private) Limited and its Subsidiary Companies
[*Zimbabwe Power Company (Private) Limited, Zimbabwe
Electricity Transmission & Distribution Company (Private)
Limited, Powertel Communications (Private) Limited and
ZESA Enterprises (Private) Limited*]
Together Referred to as “ZESA”

AND

ZIMBABWE ENERGY WORKERS UNION (ZEWU)

AND

NATIONAL ENERGY WORKERS UNION OF ZIMBABWE
(NEWUZ)

Together Referred to as the “Unions”

THE PARTIES AGREE THAT:

WHEREAS this agreement is made and entered into pursuant to section 74 of the Labour Act [*Chapter 28:01*]; and

WHEREAS ZESA in the interest of cushioning its identified categories of employees against the prevailing harsh economic conditions; and

WHEREAS the parties acknowledge the need for enhanced focus on productivity, addressing customer complaints in the shortest possible time and cost containment to sustain and grow the business:

NOW, THEREFORE, the parties agree as follows:

1. Definitions

In this agreement—

- (i) “employer” means ZESA Holdings (Private) Limited and all its subsidiaries and companies wholly owned or controlled by its subsidiaries;
- (ii) “employees” means all members of staff employed in Grade A1 to D2, either in a permanent capacity or on a fixed term contract including affected trainees but shall exclude all apprentices and students on attachment;
- (iii) “hardship allowance” means the interim and additional emolument given to the employees for purposes of cushioning them against the harsh economic hardships;
- (iv) “basic salary” means the amount paid to an employee before any extras or allowances added on or taken off in terms of the obtaining ZESA Group basic salaries schedules;
- (v) “award” means the interim hardship allowance as detailed herein.

2. Award

- 2.1 The objective of this Award is to provide an Interim Hardship Allowance to cushion employees graded A1 to D2 against the economic hardships experienced in the period particularly from January 2019 and to promote a productive and responsive sector which meets service delivery objectives.
- 2.2 The Award under this agreement shall be payable to the employees as provided for in the list of awards.

3. Commencement and duration

- 3.1 The Award shall only be payable with effect from 1st of January, 2019, and be binding for a period of three (3) months to 31st March, 2019 (“the expiry date”), both dates inclusive.

3.2 The employer, after due consultation with the employees, may review and consider the continuation of the Award after the expiry date. Such review shall not in any way be read to mean the Award becomes a permanent allowance.

4. Award not part of basic salary

4.1 It is agreed that the Award shall not form part of the employees' basic salary and all allowances paid to the employees which would normally move in sympathy with any increases in basic salary shall not in this instance so move and be adjusted.

4.2 The Award shall be a stand-alone allowance capable of review, withdrawal or adjustment without any effect on the basic salary or other allowances whatsoever.

5. Payment of pay as you earn (PAYE)

The Award shall be taxable in the hands of the employees as required by the applicable legislation or any order with the force of law.

6. Change in circumstances

If during the subsistence of this agreement there is changed circumstances making it reasonably onerous for the employer to continue paying the Award at the same levels or at all or there is an improvement in the economic environment the parties shall consult with each other and review the necessity of the award. Any request for such a review shall not be unreasonably denied or frustrated.

7. Registration of agreement

This agreement shall be registered with the National Employment Council (NEC) for the Energy Sector and the Ministry of Public Service, Labour and Social Welfare.

8. Scope of application of award

For the avoidance of doubt, the Award is to be paid to employees in permanent employment and employees with fixed duration

contracts of employment including affected trainees (excluding apprentices and attachees).

9. List of the awards

Grade	Award
A1	211,57
A2	219,97
A3	229,84
B1	233,64
B2	246,12
B3	260,67
B4	277,87
B5	298,28
C1	304,52
C2	329,55
C3	358,78
C4	364,41
C5	399,98
D1	434,82
D2	467,31

10. Declaration

This agreement shall bind and apply to all ZESA employees and the Unions warrant they have the mandate to enter into the same. The Award is made on a “without prejudice” basis to engagements that are/may be made at the National Employment Council for the Energy Sector.

R. PASIPANODYA,
*Signed for and on behalf of the ZESA Holdings
(Private) Limited and Its Subsidiary Companies.*

M. NDLOVU,
Signed for and on behalf of the Zimbabwe Energy Workers Union.

C. JOBORINGO,
*Signed for and on behalf of the National Energy Workers Union of
Zimbabwe.*

R. MASINIRE,
*Signed for and on behalf of the National Employment Council for
the Energy Sector.*

