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## Progress on Affirmative Action and Employment Equity: Still a Man's World!

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In 1999 the Employment Equity Commission (EEC) was established to monitor progress on the application of affirmative action among employers with fifty or more employees. This paper is an attempt to assess observable progress made thus far based on the annual reports prepared by the EEC. We show that companies are responding quite well although report quality remains a concern for the EEC. The paper also finds that men still dominate management positions in Namibia.

### Introduction

The Employment Equity Commission (EEC) was established in 1999 with the mission to monitor employment equity in all workplaces through the application of Affirmative Action Policies to the benefit of historically racially disadvantaged persons, women and persons with disabilities, without denying employers the right to select other qualified persons. Its mandate, therefore, is to see to it that all employers effect good employment practices as well as ensure that all employers adopt and implement affirmative action plans consistent with the Affirmative Action Act (Act No. 29 of 1998). Employers with 50 or more employees are considered relevant employers that have to submit reports to the EEC. Once reports are submitted and accepted, the Commission issues compliance certificates, which are valid for a year.

### Uptake progressing well

Table 1: Number of reports submitted

	<i>March 2001 - February 2002*</i>	<i>March 2002 - February 2003</i>
Parastatals	21	16
Private sector	183	235
Public Sector and parastatals	25	25
<b>Total submissions</b>	<b>229</b>	<b>276</b>
Number of relevant employers registered	305	310
<b>Submissions as % of registered employers</b>	<b>75%</b>	<b>89%</b>

Notes: \* There were companies who missed the deadlines and asked for extensions.

Source: *Employment Equity Commission Annual Reports 2001/2002 and 2002/2003.*

Although it has to be acknowledged that the preparation of detailed affirmative action reports takes time to prepare and thereby imposes costs on employers, response to the EEC has been quite good. For the period 2001/02, 75% of all registered relevant employers submitted reports. This rose to 89% during 2002/03. At the moment, there are 310 relevant employers on the EEC register of the approximate 400 or so potential relevant employers.

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Private sector uptake increased during the 2002/03 from 183 to 235, whilst fewer parastatal and public sector employers made the required submissions – the parastatals and public sector submissions have fallen by about 11%. According to a recent IPPR report, (Sheefeni et al: 2003) there are at least 20 known parastatals that may be considered relevant employers but only 16 submitted reports during the last cycle.

### Some reports rather incomplete

Of the 276 reports that were submitted during the 2002/03 reporting cycle, over 40% were only approved by the EEC after revisions were made. This suggests that the quality of reports submitted to the EEC is still relatively poor in terms of being complete. The EEC did prepare guidelines for employers to assist them with the compilation of reports in 1999. These are being adjusted as most employers submitted poor quality reports and did not meet the requirements of Section 23 of the Affirmative Action Act.

**Table 2: Quality of reports submitted during 2002/03**

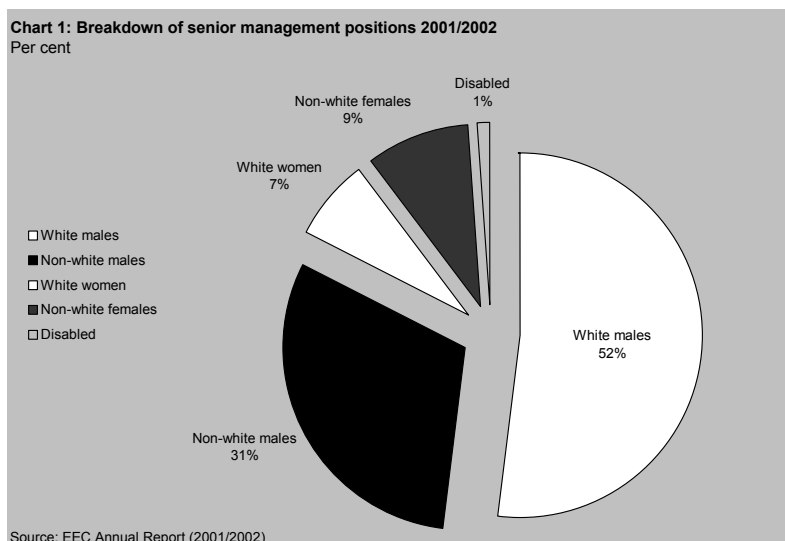
	<i>Parastatals</i>	<i>Private Sector</i>	<i>Public sector</i>	<i>Total</i>
Approved without corrections	8	112	7	127
Approved with corrections	4	109	5	118
Reports not yet approved	4	14	13	31
<b>Total</b>	<b>16</b>	<b>235</b>	<b>25</b>	<b>276</b>

Source: Employment Equity Commission Annual Report 2002/03.

According to the EEC, most reports that are sent back to employers suffer from one of the following defects (Republic of Namibia: 2003:6):

- Reports do not have evidence of consultations with employees as required by Section 24 of the Affirmative Action Act;
- Reports do not have an evaluation of the affirmative actions plans implemented during the immediately preceding twelve months as required by the Act;
- Reports do not have either a copy of the approved affirmative action plan or draft concept plan;
- Reports do not have reconcilable statistical figures with previously submitted reports;
- Those that did not apply in advance to the Minister of Labour in terms of the provisions of Section 19 (3) for exemption from training Namibian understudies.

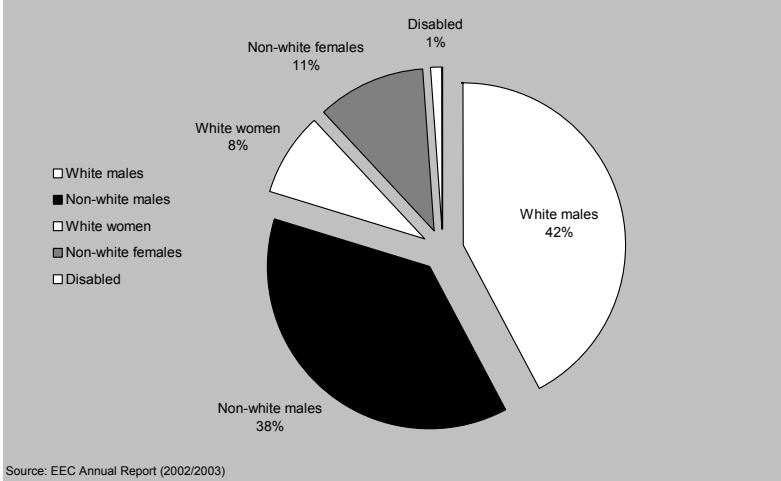
### It's still a man's world



The EEC statistics vividly bear out the national labour statistics that show that women are more likely to be unemployed than men. Post-independence far more men are still in senior and middle management positions than women. In 2001/02, Chart 1 shows that men held 83% of senior management posts. Chart 2 shows this proportion has since marginally declined to 80% in 2002/03, with white males accounting for 52% and 42% of senior management positions over the two periods, respectively.



**Chart 2: Senior management positions in Namibia by race 2002/2003**  
Per cent



In 2001/02 only 16% of the top management were women compared to 19% in 2002/03, which shows a slight improvement in their position. However, there is still a long way to go in terms of achieving a good gender balance among the top brass of employers who submitted reports to the EEC. Men still occupy the majority of top management posts whilst non-white males are gaining rapidly, increasing their representation from 31% in 2001/02 to 38% in 2002/03. Disabled persons are still only a mere one percentage point in top management.

### Few sectors are doing better than others

Table 3 below presents details of employment broken down into relevant categories taken from EEC annual reports. Only three sectors (shaded), namely government, manufacturing and financial intermediation can be considered as significantly employing more females (F), persons with disabilities (PD) and previously disadvantaged (RD) persons between 2001 and 2003. For example, these three sectors jointly accounted for between 53% and 56% of women employed in senior management posts and over 70% of women in middle management positions. A cursory overview of the table below suggests that government is leading the way in terms of employing 48% of RDs, 32% of PDs and 34% women in senior management positions during 2001/02. The table also shows a significant increase in the proportion of senior and middle management directly employed by government from the ranks of the disabled and previously disadvantaged groups between 2001 and 2003.



**Table 3: Breakdown of employment by sector**

	2001/02						2002/03					
	Senior Management			Middle Management			Senior Management			Middle Management		
	RD	PD	F	RD	PD	F	RD	PD	F	RD	PD	F
Local government, water & related services	6%	11%	4%	2%	3%	1%	6%	10%	2%	3%	8%	2%
Public services	48%	32%	34%	70%	41%	62%	41%	40%	36%	66%	38%	59%
Manufacturing	6%	16%	7%	4%	10%	6%	4%	10%	5%	3%	15%	5%
Health & welfare (private)	1%	0%	5%	1%	0%	2%	1%	0%	5%	1%	3%	2%
Private security, legal & correctional services	1%	0%	0%	1%	3%	1%	1%	0%	1%	1%	3%	1%
Education, training & development practices (private)	5%	0%	5%	3%	0%	4%	2%	0%	4%	1%	0%	2%
Wholesale & retail	2%	5%	4%	3%	7%	4%	3%	10%	4%	5%	3%	6%
Tourism & hospitality	1%	0%	6%	2%	7%	4%	1%	0%	7%	2%	8%	4%
Transport	2%	0%	1%	1%	0%	1%	1%	0%	1%	1%	0%	1%
Information systems, electronic and telecommunications	7%	11%	5%	2%	0%	2%	6%	10%	6%	2%	0%	2%
Services	4%	5%	4%	1%	7%	1%	3%	5%	3%	2%	0%	1%
Construction	1%	0%	2%	1%	7%	0%	1%	0%	2%	1%	10%	0%
Agricultural	1%	0%	3%	1%	0%	1%	1%	0%	2%	1%	3%	1%
Fishing industries	6%	5%	5%	2%	0%	2%	4%	0%	4%	2%	3%	2%
Financial intermediation	6%	16%	12%	5%	14%	8%	24%	15%	15%	9%	10%	10%
Mining	3%	0%	1%	2%	0%	2%	2%	0%	1%	2%	0%	2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: RD = Racially disadvantaged

PD = Person with disability

F = Females

Source: *Employment Equity Commission Annual Reports 2001/02 and 2002/03.*

### Public sector leads the way against the backdrop of a limited pool of skills

The public service tops all other sectors in terms of having employed most previously disadvantaged persons, women and disabled people in top management post both at the level of senior management and middle management. The public service is followed by the financial sector and the manufacturing sector. The rest of the economic sectors still have some way to go in meeting similar levels of representation. Having said that one needs to situate these figures within the context of a large skills shortage in Namibia and as a result there are not that many previously disadvantaged skills going around in Namibia. Employers, particularly in the private and the parastatal sectors, are therefore competing for the best skills among a very limited pool of skilled managers. Therefore, the question is not strictly that of demand but rather supply. The country as a whole needs to increase the pool of skilled people which would increase the skills base further to allow more competition not just between employers but also within skills groups.

### EEC needs to disaggregate sectors further

In terms of how the sectoral data is reported by the EEC, some changes would be in order. There is a need to disaggregate data further between parastatals and private sector businesses to allow for the measurement of potential skills concentration in parastatals. The private sector frequently complains that it



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is unfairly competing for the limited pool of skilled previously disadvantaged Namibians against the better paying parastatals that often do not have a clear profit or cost-minimisation motive. Therefore, it would be interesting to see where the relatively scarce skilled previously disadvantaged Namibians end up in terms of occupying senior and middle management positions.

### **Efforts of the EEC need to be combined with other initiatives**

Namibia is not the first country to have introduced affirmative action employment legislation. Some countries have more intrusive quota systems with specific targets, which may not necessarily work well in Namibia given the serious shortage of skills. The EEC follows a much gentler approach that ensures valuable information for ascertaining and monitoring progress on affirmative action and employment equity is produced and made public. The hope is that organisations will seek to improve their public standing by adhering to the legislation, or at the very least attempt to avoid the public embarrassment that may arise from non-compliance. So far 64 relevant employers were charged during 2001/02 for missing deadlines or for not submitting reports at all. This figure has since risen to 90 during 2002/03, suggesting more and more relevant employers are not submitting their reports on time or refrain from submitting reports. In theory, the EEC can lodge complaints about non-compliance with the Office of the Prosecutor General (OPG). However, in its latest 2002/03 report, the EEC expresses its disappointment at the inability of the OPG to lodge charges against employers for clear breaches of the Act.

Although the compilation of data and reports imposes costs on business, this approach probably represents the lowest cost way of accelerating change. However, it is only likely to work if the results are published and made widely available and to matter in practices such as tendering procedures. That said, there is a danger that if the efforts of the EEC are not combined with improvements in the education system in terms of quality and relevance, employers that act within the spirit and the letter of the law will be put at a disadvantage over their competitors in the labour market because of the lack of skilled workers. This is especially important for the private sector where competition is present and profitability is a precondition to survival.

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