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LABOUR PROBLEMS IN THE ECONOMIC AND SOCIAL DEVELOPMENT

OF

Z A M B I A

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- I. The Country and Its Peoples.
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* Working Papers are prepared as a basis for discussion and are not intended to be definitive reviews.

I. THE COUNTRY AND ITS PEOPLES

Zambia lying between latitude 10 degrees and 18 degrees South and between longitudes 22 degrees and 33 degrees East has an area of 288,130 square miles. It is bounded on the North by the Republic of the Congo (Kinshasa) and Tanzania, on the East by Malawi, on the South by Mozambique, Rhodesia, Botswana and South West Africa, and on the West by Angola. For the most part it consists of a high plateau of a general elevation of from 3,500 to 4,500 feet above sea level. Though it lies within the tropics, Zambia, owing to its elevation, has a modified Sudan type of climate with three seasons: cool and dry May - August, hot dry September - November, warm wet December - April. In the single rain season the annual rainfall varies from over 50 inches in the North to 30 around Lusaka and to about 25 in the South. The natural vegetation reflects directly the climate of the country. It is a savannah type except for small areas of tropical grassland in the Barotse flood plain on the upper Zambezi and the Kafue Flats. The soils have a high humus content but cultivation rapidly exhausts them. Most of the country can be classified as extensive pastoral and arable but there is a considerable area still infested with tsetse fly.

Natural communications are difficult. The main waterways run trans-versal to the structure of the road and rail systems - these were designed for a north-south flow. All the main towns are linked by rail and by a tarred main road for a distance of 520 miles from Livingstone in the south to the Congo boundary. Communication with the North and East is by gravel or earth roads which are being improved and tarred, owing partly to the Rhodesian U. D. I., to provide new outlets for Zambia's foreign trade.

The total population in 1966 was estimated to be 3,828 m of which 3,75 m were African, 69,000 were European and 9,800 were Asian. The African population comes from over 70 tribes, all of Bantu origin. There are at present about 228,000 Africans of non-Zambian origin in the country. Some 30 dialects are spoken, but there is no national native language. English is the official language. About 20-25 per cent of the population are literate. The country is sparsely populated, except for the copper belt and the "line of rail". The African population is growing at an estimated 3.2 per cent to 3.5 per cent per year. The reasons are (i) a high birth rate (51 per thousand), (ii) a decreasing death rate (19 per thousand in 1963), (iii) a fairly high proportion of females of child bearing age (43 per cent of the female African population are between the ages of 15 and 44). Slightly more than a fifth of the African population lives in urban areas. (See Table 1). The majority of the population is young. About half are 16 years or younger and almost two-thirds are under 25. Only a

million of the population are over 30, but well over a million are under 10. Compared with countries with more slowly growing population, the proportion of the Zambian population of school age is very high and the proportion of adults of working age is very low. Hence, educational and health services tend to be costly in terms of the proportion of the population able to contribute productively towards them¹. On 24 October 1964 Northern Rhodesia became the independent Republic of Zambia within the British Commonwealth, after 10 months of internal self-government following the dissolution of the Federation of Rhodesia and Nyasaland.

II. STRUCTURE AND GROWTH OF THE ECONOMY: LIVING STANDARDS

Zambia is almost a classical example of a "dual economy". More than 70 per cent of the population is engaged in subsistence agriculture. Historically economic development has tended to follow the "line of rail" which runs like a spinal column through the southern half of the country from Livingstone to the Congo Border. The money economy is almost exclusively confined to this area. Here approximately 700 European farmers sell £ 7.7 m of produce including over two-thirds of the total maize marketed, and almost all the Virginia tobacco. The African farmers, numbering about 450,000 families and spread over the rest of the country, sell only £ 3.2 m of produce (chiefly cattle and maize) and produce an estimated £ 17.8 m for their own consumption. Their per caput income is very low, much below the average of £ 59 per head (1964) which is inflated by the high incomes of the copper miners.

The division into two classes is also apparent among those engaged in gainful employment. The 35,000 Africans employed in agriculture, forestry and fishing earned an average annual income of £ 86 per head in 1965 whereas the 700 non-Africans got £ 1,182. More significant is the division between Europeans' and Africans' average annual earnings in industry. In mining and quarrying, 8,000 Europeans earn an average annual income of £ 2,689 and 45,000 Africans average £ 413; in manufacturing 4,000 non-Africans earn £ 1,564 whereas 28,000 Africans average £ 243. Thus the bulk of the population is engaged in subsistence farming while in the money

¹This paragraph is based on "Manpower Report" issued by the Cabinet Office, Jan. 1967.

sector there are vast differences between the earnings of Africans and Europeans. The results are twofold:

- (1) a steady drift of the able bodied youth to the "line of rail" attracted by the relatively high wages and greater social amenities of town life. This reduces the possibility of inducing the necessary changes in traditional agricultural methods and at the same time creates problems of housing, education, unemployment and delinquency in the towns;
- (2) agitation leading to strikes by urban workers to achieve "the rate for the job" i. e. European pay for workers. Thus the recommendation of the Brown Commission which awarded a 22 per cent wage increase for over 40,000 African miners will increase the wage bill by an estimated £ 6 m, and a somewhat similar award to civil servants and teachers, police and the army will add another £ 5 m. It is likely that increases of the magnitude of 20 per cent will be got by all organised workers along the line of rail, thus increasing the disparity between rural population and the 700,000 in the urban areas.

Hence one of the prime objectives of the First National Development Plan 1966-1970 issued in July 1966, is to raise rural incomes. Out of total government investment of £ 282 m, £ 179 m will be in rural areas, of which £ 43 m will be in agriculture. The major portion will be in crops and livestock where surveys, the provision of basic water supplies, new access roads and major conservation works will help in the development of 3.7 m acres and benefit 75,000 families. The Plan envisages a large use of credit for the development of land and small rural enterprises. By such investment it is hoped to at least double the per caput income of the remote rural provinces. For the Northern Province, it is hoped to raise the per caput income of £ 12 in 1964 to £ 29 in 1970. The changes proposed for other provinces are: Eastern Province from £ 14 to £ 30; Barotse Province from £ 12 to £ 28; Luapula Province from £ 12 to £ 24; North-Western Province from £ 13 to £ 35.

1. Composition and Development of Gross Domestic Product

Over the period 1954-1963 (the decade of the Federation) real GNP grew by 3.6 per cent per annum, the rate of growth being higher in the first half of the period than in the second. The second half of this period was one of virtual economic stagnation, resulting to a large extent from Zambia's position in the Federation. Immediate substantial improvement occurred in the budgetary position, the balance of payments and the foreign exchange reserves following Zambia's separation from Rhodesia. Real GNP rose by 8.9 per cent in 1964 and by much the same amount in 1965, aided by increased prices, output and exports of copper.

Table 2 shows the composition of GDP in 1954 and 1960-64, and Table 3 shows the relative importance and rates of growth of various sectors. Table 4 shows the distribution of employment between sectors.

2. Main Sectors of Economic Activity

(a) Agriculture

In 1965 agriculture produced £ 27.3 m of an estimated gross domestic product of £ 306 m at factor cost. This was 8.9 per cent of the GDP, 7.1 per cent coming from non-African farms and 1.8 per cent from Africans. The chief agricultural products are maize, of which 2,795 m bags were sold in 1965/66 at £ 4,182 m; groundnut sales were 72,000 bags chiefly from the Eastern Province; 8 m pounds of cotton; 14.6 m lbs of Virginia tobacco sold at an average price of 32.76 pence per lb. while 3.4 m lbs of Burley were sold, chiefly by African farmers, at about 17.5 pence per lb; 67,400 cattle were sold for £ 1.6 m; 4,305 gallons of milk realised £ 635,000. There is considerable untapped agricultural potential. A particular problem with sales of cattle is the conservation of the Zambian cattle owner. Of a total national herd of 1.25 m head, only 20 per cent are held by commercial farmers, who, nevertheless, produced 55 per cent of the total offtake in 1965. This amounted to an offtake rate of 10 per cent, whereas that of the traditional sector was only about 2 per cent. Zambia relied heavily on imports of meat and milk, chiefly from Southern Rhodesia, to supplement its home production. With a rising standard of living the demand for these goods is rising rapidly. The recent political events in Rhodesia, and the difficulties of finding alternative sources of supply have led to a campaign to encourage the traditional farmer to sell more of his stock. So far not much success has resulted.

(b) Mining, Power, Manufacturing and Construction

Mineral production, particularly of copper, is the motor of Zambia's economy. Copper is produced in a rectangle, called The Copperbelt, 20 miles wide and about 50 miles long that runs along the Congo border at Katanga. There are four companies in the Anglo-American Group - Bancroft, Nchanga, Rhokana and Rhokana Copper Refineries. The Roan Selection Trust operates Chambishi, Chibuluma, Luanshya, Mufulira and the Ndola Copper Refinery. Total production of smelted copper in 1965 was 803 thousand short tons. This placed Zambia second among world producers (U. S. A. 1,528,000 tons, U. S. S. R. 677,000 tons). At Broken Hill about 120 miles south of the Copperbelt, there is a lead and zinc mine operated by the Anglo-American Group, which produced 75,913 tons of lead, zinc and cadmium. The total value of mineral production of these mines in 1965 was £ 134 m, which was approximately 48 per cent of Zambia's Gross Domestic Product at Factor Cost. Minerals

accounted for £ 181.1 m of Zambia's total exports of £ 187.5 m. Mining gives about 16 per cent of total employment and 38 per cent of the total wage bill. More crucial is the fact that in 1965, mining contributed £ 66 m (including an estimated £ 1.6 m of Income Tax paid by its employees) to the total government revenue of £ 97 m. The companies contribute through

- (1) royalties calculated at 13.5 per cent of the price of copper on the London Metal Exchange less £ 8
- (2) company profits tax
- (3) an export tax imposed by the government in April, 1966 when the Zambia producers abandoned their fixed contract prices (the export tax is 40 per cent for every £ 100 by which the London Metal Exchange price exceeds £ 300 per ton).

Prior to May 1965 the producers' fixed price was £ 260 per ton, in May it rose to £ 288 and to £ 304 in October. Several more increases took place in early 1966, but when Chile raised the price to £ 496 in April, the Zambia producers decided to revert to the London Metal Exchange price, which was then about £ 600. At this point the government introduced the export tax. Prices rose gradually until in April 1966, copper reached the record price of £ 790 per ton. At the time of writing, its price is approximately £ 440.

Broken Hill, which produces lead and zinc, is Zambia's oldest operating mine, having commenced production in 1906. It is now facing difficulties due to the age of much of its equipment, increasing costs at deeper levels, and the relatively low price of lead - £ 80 per ton. No dividend was declared last year.

There are other small mines whose total production is insignificant compared to those of the two main groups. A new development has been the open cast mining of coal in the Southern Province. This is being done by the two copper groups in association with the government at Nkandabwe. During the present year it is hoped to begin coal production at Siankundoba. Both of these ventures should lessen Zambia's need to import coal from Wankie in Rhodesia.

The vulnerability of copper prices arising from causes outside the control of Zambia, the fact that the copper industry is unlikely to be able to expand employment much beyond its present level, and the need to conserve foreign assets for capital development by lessening imports, have made it necessary for the government to aim at a diversification of the economy. This need is more urgent as the standard of living is rising rapidly and it is estimated that the marginal propensity to import consumer goods is 0.6². Until relatively recently, Zambia was merely a market

²The marginal propensity to consume imports is the percentage increase in consumption of imports for each one per cent rise in personal incomes

for consumer goods from Rhodesia. The replacement of imports from Rhodesia by local manufacture has stimulated the growth of manufacturing, which was already growing (12.1 per cent, 1954-64). The industries found in developing countries exist in Zambia - food processing, alcoholic and soft drinks, certain textiles, footwear, paper, printing, etc., but some engineering has been stimulated by the need to service the copper mines. In 1965 the output of manufacturing was valued at £ 19.7 m and showed an increase of 30 per cent over 1964 and gave employment to 27,000 persons; the average earnings of Africans in manufacturing were £ 243 per annum and of non-Africans £ 1,564. The most spectacular increases were in construction: from 23,000 in 1963 the numbers employed increased to 49,000 at the end of 1965. The average African earnings in construction were £ 161 and those of non-Africans were £ 1,755.

Zambia's power requirements are largely catered for by generators that lie outside the confines of the country. Kariba provides over 2,000 million KWH and Katanga about 200 million KWH. Home sources, thermal and water, provide over 640 million KWH. Consumption has risen from 2,134 m KWH in 1960 to 2,919 m KWH in 1965. To meet most of the growing demand the National Development Plan envisages the expenditure of £ 22.4 m on the Kafue project and on enlarging the Victoria Falls scheme. It is estimated that by 1970 total demand will be 3,458 m KWH, of which 820 m will be produced in Zambia - 30 per cent increase in domestic production. The mines are the largest users of electricity, consuming 83 per cent of total sales in 1965 as compared with 86 per cent in 1964. Consumption of secondary industries increased by 21 per cent in 1965 - from 109.8 m KWH to 134.0 m. Other indicators of economic prosperity are the 20 per cent increase in domestic consumption from 155.2 KWH to 182.3 m and the 18 per cent increase in supplies to the African townships.

(c) Services

Zambia is completely landlocked, all its coastal links involve long distances, and the economy is heavily dependent on trade with the outside world. Since 1965 and particularly since the Rhodesian UDI, there has been a considerable increase in road traffic through Tanzania and Malawi. The volume of this traffic is expected to grow as the roads are improved. Inside the country transport to the comparatively underdeveloped regions is often difficult and slow; but roads are being improved and since 1964 over 280 miles of new roads have been constructed.

The railway system has 4 separate coastal links: two, Beira and Lourenço Marques in Mozambique, another, Lobito Bay, is situated in Angola, and the fourth is the link up with the railway system of South Africa. Since 1964, the railways have been owned by the governments of Zambia and Rhodesia in equal shares. Zambia's rail system commences at Livingstone in the South and runs roughly in a northerly direction to the Congo border. There are 666 miles of track and some 29,000 persons are employed by the railways.

Passenger traffic has decreased slightly every year since 1963, but goods traffic increased by 5.2 per cent in 1964 and by 17.3 per cent in 1965. Particularly notable were the increases in the tonnage carried of general goods, 5,564,000 tons in 1965, an 11.3 per cent increase over 1964, and in the tonnage of minerals (other than copper) 3,579,000 tons, an increase of 42.1 per cent. As the system is single track, its carrying capacity is almost fully utilised and cannot cope with the requirements of the rapidly expanding economy. This was one of the chief reasons that led to the decision to construct a rail link with Tanzania. In the meantime, to cope with the growing tonnage, twenty-four heavy-duty diesel locomotives have been purchased at a cost of £ 2.2 m.

Civil aviation is developing rapidly and the Four Year Development Plan aims at an expenditure of £ 7.5 m on improving and constructing secondary aerodromes. In the period 1964 - 1965, there has been a big increase in the volume of freight carried. This growth is expected to continue so that the 2.286 m kgs. carried in 1965 will grow to 3.795 m kgs. in 1970.

3. Incomes and Living Standards

Between 1954 and 1964, per capita GNP increased from £ 43 to £ 59, but much of this rise in incomes was offset by higher prices, and living standards rose very little. The real incomes of Africans rose much more, however, than real incomes of European residents. Average money incomes of non-African employees rose by 33 per cent and living costs rose by 30 per cent, while average money incomes of African employees increased by 163 per cent compared with a cost of living rise of 30 per cent. The sharp rise in earnings of African employees in the last two years has induced urbanisation and more efficient use of labour; employment has not risen much and unemployment has grown.

The rise in unemployment has been partly due to the migration of rural workers to urban areas stimulated by the widening difference between rural and urban incomes. While African employees' real incomes have increased considerably, real incomes of the rural African population have probably fallen.

Wages have risen by approximately 20 per cent per year since independence. The Seers Report gave the following table of wages in 1962.

SEERS REPORT

DISTRIBUTION BY WAGES OF AFRICAN IN LEADING INDUSTRIES
AT 31st DECEMBER 1962 (a)
 (Percentage in each wage group)

Wage Group	Copper	Railways	Other Industries		Government (c)		Total
	Mines (b)		General Workers	Farm Workers	On line of rail	Off line of rail	
Under 5	-	-	4	77	-	80	24
Over 5-6	-	-	2	13	15	5	5
6-7	-	-	4	4	3	1	5
7-8	-	-	14	1	39	1	8
8-9	-	-	31	3	9	-	13
9-10	-	-	11	1	7	-	5
10-11	-	43	8	1	6	4	5
11-12	20	40	7	-	-	-	9
12-13	34	5	3	-	-	-	9
13-14	15	3	5	-	2	-	6
14-15	9	-	2	-	11	4	4
15-17 1/2	19	7	4	-	1	1	7
17 1/2-20	2	-	2	-	8	3	2
20-22 1/2	-	-	1	-	-	-	1
22 1/2-25	-	-	1	-	-	-	-
25-27 1/2	-	-	1	-	-	-	-
27 1/2-30	-	-	-	-	-	-	-
Over 30	1	-	-	-	-	-	1
TOTAL	100	100	100	100	100	100	100

Number of wage-earners (thousands)							
Average monthly wage	sh. d.	sh. d.	sh. d.	sh. d.	sh. d.	sh. d.	sh. d.
	272.4	238.11	201.2	92.4	188.9	109.2	189.2

(a) Wages refer to pounds earned per month of twenty-six working days, inclusive of rations where applicable, and cost-of-living allowances. Free housing is supplied by employers; this may amount to an additional 20 sh. to 175 sh. per month. Family and child allowances excluded.

- (b) Wages of "ticket paid workers". These are basic and exclude shift differentials sundry bonuses and allowances, and the metal bonus (which was 34 per cent of the basic wage for year ended 30th June, 1962). Monthly paid staff employees are not included. An adjustment has been made to exclude the housing element by deducting 20 sh per month.
- (c) Daily paid, Staff employees, S.I.C. and N.I.C. grades excluded.

Source: Derived from material supplied by the Ministry of Labour and Mines.

The Brown Commission set a minimum wage for mining of £ 27.6.0. with proportionate increases for all workers.

PROPOSED NEW SALARY SCALES - Z. M. U. COPPERBELT SURFACE, OTHER

<u>Category</u>	<u>Existing Wage</u>			<u>22 Per Cent Increase</u>			<u>New Basic Wage</u>		
	L	s.	d.	L	s.	d.	L	s.	d.
Workman	22.	7.	6.	4.	18.	6.	27.	6.	0.
Helper (III)	23.	2.	6.	5.	1.	9.	28.	4.	3.
Helper (II)	24.	7.	6.	5.	7.	3.	29.	14.	9.
Helper I/Operator IV	26.	7.	6.	5.	16.	0.	32.	3.	6.
Operator III/Mechanic III	28.	12.	6.	6.	6.	0.	34.	18.	6.
Operator II	33.	2.	6.	7.	5.	9.	40.	8.	3.
Operator I/Mechanic II	37.	12.	6.	8.	5.	6.	45.	18.	0.
Leading Operator II/Mechanic I	45.	12.	6.	10.	0.	9.	55.	13.	3.
Leading Operator I	53.	12.	6.	11.	16.	0.	65.	8.	6.
Senior Operator II	60.	12.	6.	13.	6.	0.	73.	18.	6.
Senior Operator I	64.	12.	6.	14.	4.	3.	78.	16.	9.
Craftsman	68.	12.	6.	15.	2.	0.	83.	14.	6.

Shop Assistants have been given a minimum wage of £ 13.10.0 and Hotel Workers of £ 14.

Hours of work are being reduced rapidly. Most industries are aiming at a 45 to 48 hour week, where formerly they were between 50 and 60.

Zambia suffers from the usual evils of poverty in tropical areas; malnutrition, bilharzia, blindness. The town areas, particularly the Copperbelt where the mining companies have pioneered medical services for their employees, have good hospitals but the rural areas are almost devoid of medical facilities. Since 1964 a training school for nurses has been begun, about 30 rural health centres have been instituted, and an extensive programme for training medical assistants has been initiated. In 1966-67, £ 3,389,000 will be spent on new facilities involving an increase of £318,000 in recurrent expenditure.

Zambia has an estimated shortage of 24,000 housing units and it is expected that the employment in the urban areas will lead to an extra demand of 8,000 houses per year. Thus the task is to provide 56,000 housing units between 1966 and 1970. Hence it is proposed to spend £ 4.2 m per year on housing. This will give 6,800 units per year, 4,750 costing an average of £ 800 each, and 2,050 will be serviced plots with piped water and sewerage at a cost of £ 200 each. It is deliberate policy to reduce the number of expensive houses built.

4. Investment and Foreign Trade

The fluctuations of capital formation, gross investment and gross national savings 1954-1964 are shown in Table 5. Investment and savings have been high, in both absolute and relative terms. Each year except 1957 and 1958 gross national savings have exceeded gross fixed capital formation and gross domestic investment, there being substantial net investment overseas. The export of dividends from the copper companies has largely been responsible for the excess of gross domestic savings over gross national savings.

The decline in gross fixed capital formation from 1957 was arrested in 1964, and the Development Plan provides for a substantial increase. The largest element in gross fixed capital formation is mining (35 per cent in 1964). Beginning from a low level, the relative shares of agriculture and manufacturing are both increasing.

In most years between 1954 and 1964, Zambia had a favourable balance of payments on current account, based on copper exports. But in spite of the fact that exports are increasing, imports are rising more rapidly and by 1970 it is expected that Zambia will be in equilibrium in its Balance of Payments. The chief imports are minerals, fuels and electricity, machinery. Food is also a big item in imports - chiefly meat and fruit - almost £ 1.5 m from January to July 1966.

5. Economic Policy

With the large capital expenditures that have been a feature of Zambia's recent history, combined with supply difficulties consequent

on Rhodesia's UDI, the country is beginning to experience inflation in both the cost-push type and the demand-pull form. The Development Plan assumes a price-stability within a range of 3 - 4 per cent per annum. In December 1966, the Minister of Finance increased taxes on beer, spirits, tobacco and some luxury goods and hopes to bring in £ 2 1/2 m annually. At the same time the bank rate was raised from 4 1/2 per cent to 5 per cent and the government ministers have urged the need for greater savings.

The government revenue increased to £ 95.6 m in 1965 from £ 58.5 m in 1964. Mineral royalties accounted for £ 35.9 m of the 1965 figure. Income taxes were £ 32.4 m and indirect taxes were £ 14.4 m in 1965. Current expenditure was £ 57.8 m in 1965, an increase of £ 20 m over that of the previous year. The government introduced Pay-As-You-Earn in 1965 and has also streamlined the tariff schedules. In the National Development Plan 1966 - 1970, total capital investment will be £ 429 m of which £ 282 m are to be provided by the public sector and £ 147 m by the private sector. In the period it is estimated that the government revenue from all sources will be £ 524.8 m and recurrent expenditure will be £ 393 m. Thus £ 185.8 m of government capital outlay will be from government savings. Foreign loans will be £ 58 m and foreign capital aid will amount to £ 5m. The remaining £ 3 m will come from self-financing.

The sound budgetary position in which Zambia entered independence has since improved, as in the Federation Northern Rhodesia (Zambia) was subsidising the other parts of the Federation.

III. MANPOWER, EMPLOYMENT AND THE DEVELOPMENT OF HUMAN RESOURCES

1. Manpower Problems

The most serious handicap facing Zambia is a lack of trained manpower and a surplus of unskilled labour. In 1964, there were only 1,200 Zambians who had obtained secondary school certificates - about the same number as in Kenya in 1957, Uganda in 1955, Tanzania in 1960 and Ghana in 1943. The number of graduates was scarcely 100. The government has made a huge drive to combat this deficiency.

At all levels, expansion in education since 1963 has been extremely rapid and impressive:

Over 100,000 new primary places have been provided, enabling 70 per cent of children aged 7-12 to be enrolled compared with the 57 per cent in 1963. The proportion of students able to complete a full seven-year course in non-fee-paying government schools has been raised to 100 per cent in the urban areas and 75 per cent in the rural areas. In 1966 for the first time in Zambia's history, more than 100,000 children were able to enter the first grade of primary school.

Racial divisions in the schools have been abolished. In 1964, the non-African schools became fee-paying schools open to all races. The latest step has been the gradual integration of the fee-paying and non-fee-paying secondary schools which by 1969 will be completely merged.

Technical and vocational education have expanded into new fields.

The University of Zambia has been founded in March, 1966, with a total enrolment of over 300. Medical, engineering and other professional studies will soon be started.

Adult education has grown considerably and now enrolls 22,000 persons in evening classes.

Public expenditure on education has risen to over £ 20 million in 1966-1967, compared with £ 5.1 million in 1963-64, £ 1.1 million in 1954, £ 131,000 in 1944, £ 26,000 in 1934 and £ 348 in 1924-25. The proportion of total government expenditure going to education has risen from 0.3 of 1 per cent in 1924-25, 2 or 3 per cent in the 1930's, 4 or 5 per cent in the 1940's, 6 per cent in the early 1950's and 15 per cent in 1966-67.

But the really dramatic thrust in the government's education programme has been at secondary level. Under the Transitional Development Plan sufficient new secondary schools were built so that secondary intake in 1966 could be doubled over 1965 and increased in 1967 by a similar number. This was an immense target and as a rate of secondary school expansion one of the highest ever attempted in a developing country. The number of classrooms built for 1966 was about ten times larger than ever before in a single year in Zambia, and served as the major weapon in the government's programme to attract large contractors to the rural areas.

The first stage of this secondary school programme has been accomplished on schedule, enrolments in non-fee-paying

government secondary schools have impressively increased to nearly 17,000, of whom over 8,000 were new entrants in 1966.

The University of Zambia in its first year has already enrolled more Zambians than have ever graduated elsewhere. All of these are solid achievements which demonstrate the government's determination to prepare all its people for development and the priority it has given to education in the use of its resources.

A major problem in the educational programme is the supply of secondary teachers - about 2,500 by 1970. At this date the secondary school teacher training colleges and the University of Zambia will have produced only 200 Zambian teachers so that over 2,000 will have to be recruited abroad. There will also be expansion in Technical and Further Education, a re-organisation of Trade Schools and an enlargement of Adult Education facilities. The University of Zambia opened in 1966 with an enrolment of 312, and expects to enrol 514 in 1967, 809 in 1968, 1,665 in 1970, and 2,500 in 1971. In 1966-67, 6.9 per cent of the Gross Domestic Product (excluding the subsistence sector) will be spent on education.

The importance of technical and further education in providing Zambia with skilled manpower, needed to increase production from the country's natural resources and to expand her new industrial projects, is widely recognised. Under the Transitional Development Plan, significant steps were taken to increase the facilities in this area of education and training, and to adapt them to the needs of the future. Even more action along these lines will be taken during the next four years under the First National Development Plan.

The present three trade schools are embarking on a new scheme of training closely aligned with the needs of industry and especially the building and construction trades. Many of the students will be sponsored by the construction industry and thereby will be sure of employment and have the benefit of on-the-job training as well as as trade school education. When the scheme is in full operation, students will have the opportunity of following a three-year sandwich course. To complement this avenue of acquiring needed skills for especially the construction industry, which is directed towards young primary school leavers, the government has requested assistance from the United Nations Development Programme to help create one or more training centres for providing accelerated training of a limited nature for present workers in the building and construction trades. In addition, a new trade school will be established in every province at present without one. This, together with expanded facilities for the present trade schools, will help meet the long-run needs of the construction industry for fully-trained operatives,

and also for operatives in the mechanical and engineering trades. Careful consideration will also be given to providing other full-time courses combining a basic secondary education and trade training in the light of future manpower needs.

With the establishment of the David Kaunda Secondary Technical School, a major step was taken towards providing a full range of opportunities for preparing students for technician and technologist training, so vitally needed in Zambia. By providing secondary education with an effective introduction to science and technology, it will provide a major source of students who will enter the School of Engineering at the University of Zambia and technician courses at the Northern Technical College or the Evelyn Hone College of Further Education. During the next four years this school will be provided with full facilities for residential courses, and a second similar school will be established in Livingstone.

Under the Transitional Development Plan and now under the First National Development Plan, funds have been provided to build up the Northern Technical College so that it can expand its capacity for block-release apprenticeship training and full-time technician training. This college will play a vital part in the technological advancement of Zambia, particularly in the areas of mechanical and electrical engineering and the whole range of technical skills required in Zambia's mining and metallurgical industries.

During the next four years, the Evelyn Hone College of Further Education will be expanded, particularly its Department of Technology so that urgently needed technician training in civil engineering is available in Zambia. Full residential facilities will be provided, together with additional classrooms so that the College will be able to carry on extensive programmes of further and adult education.

With the reorganisation of its trade schools, the establishment of secondary technical schools, and the provision for advanced technical training, Zambia has made considerable progress in meeting its manpower requirements in a flexible manner. But these are new measures in Zambia and need continuous evaluation to ensure that technical manpower requirements are actually being met and not that just a higher cost form of secondary education is being provided. In all these areas of technical and further education, close attention will be paid to the skilled manpower needs of the country, and additional or alternative measures may be necessary in this area. A sum of £ 350,000 had already been earmarked for new projects in technical education, to ensure that this most vital part of education and training is not neglected.

2. Employment and Unemployment

The present male population of working age may be divided into three groups: those in wage-earning jobs, those in the subsistence sector (mainly in agriculture or fishing), and those seeking paid work. Adult males in the subsistence sector number about half-a-million, as against nearly 300,000 in paid employment. In 1963, out of a population of 3.49 m, 257,500 were employed, equivalent to 7.4 per cent of the population; by December 1965, the figure rose to 7.9 per cent. It is hoped to make it 9.3 in 1970. Unemployment statistics are as usual in developing countries somewhat sketchy. In December 1965, there were 16,800 registered as seeking employment, but this was in urban areas. The registered number of unemployed is at present about 14,500, though the number seeking work, but not registered, is no doubt much larger. In 1963, an average of nearly 8,000 were registered as unemployed but the census held in May-June of that year recorded 72,000 Africans as seeking paid work.

Very few African women have paid employment - about 2,000 in government (mainly in teaching and medical work) and about 4,000 in the private sector. Almost all the remainder are engaged in household chores and providing food for their families. The proportion of women living in the rural areas is 83 per cent, compared with 78 per cent for men, and most of them take some part in agricultural work.

The great majority of the rural adult population have never been to school - three out of every five men and seventeen out of every twenty women over 21. Only 15 per cent of the men and 3 per cent of the women have had more than a lower primary schooling. Although this position has been rapidly improving among the younger age groups, and will continue to improve as the country moves towards universal primary education in 1970, this lack of education will be a serious handicap in modernising the rural sector for some years ahead.

The labour force, predominantly urban, plays a crucial role in the nation's economy by providing the initiative, skills and sheer hard work needed for production. Table 6 shows national output in 1965 and the labour force and educated manpower which contributed towards it. Total output in the monetary economy was £ 282 m, total employment 306,000 and educated manpower 56,000. These figures need to be judged not only in terms of the level of production achieved but by the remarkable growth over the previous year in almost every sector. In volume, mining output increased by 7 per cent, manufacturing output by 30 per cent and total construction activity by 50 per cent or more. Expansion in other sectors was also extremely rapid.

The population is extremely mobile as is shown by the fact that the African population of the main towns has grown by about 8 per cent per year. There is also a large number of expatriates in employment - roughly 30,000. At the same time, however, there are over 50,000 Zambian adult Africans working outside the country, over 50 per cent of them being in Rhodesia.

A feature of note is the extent to which Zambianisation of the labour force has taken place. In 1953 there was, as far as is known, no African in posts in Divisions I and II of the civil service. By 1958 only 1 per cent were Africans, by 1960 2 per cent and by 1963 26 per cent. During the last three years the proportion of Zambianised posts has risen to 55 per cent, at a time when the civil service itself has been rapidly expanding. Four and a half thousand Zambians are in Divisions I and II, compared with less than twenty, ten years before. Taking the civil service as a whole, about 90 per cent of posts at all levels are held by Zambians.

Understandably Zambianisation at the lower levels has proceeded at a faster pace than at the higher levels, but even here one-third of posts in the administrative grades are held by Zambians. Except in the professional grade, where Zambianisation cannot - with any realism - be pushed more rapidly due to the lack of Zambians with the requisite qualifications, posts in the lower and middle grades are already considerably Zambianised. In the executive grade over half of serving officers are now Africans, in technical 45 per cent, in clerical 55 per cent. Compared with the position three years before, these are startling improvements. Every ministry now has a Zambian Permanent Secretary.

Some ministries are more highly Zambianised than others. Some - like Foreign Affairs, Police, and Defence - have in the national interest had to be given priority and in April, 1966, were over two-thirds Zambianised, even at Divisions I and II level. This has meant that other ministries have had to be held back in Zambianisation, and this will remain true until the number of qualified Zambians increases. Even so only five are less than 50 per cent Zambianised. The low rate of Zambianisation in the Ministry of Education reflects the large numbers of graduate teachers needed, the shortage of qualified Zambians who can be spared for teaching and the fact that the figures refer only to Divisions I and II of the Civil Service, omitting members of the Zambian Teaching Service (who are almost all Zambians).

The position in the private sector has progressed more slowly, partly - but only partly - because the government has had to take priority in recruiting Zambians with high-level qualifications. In total, 87 per cent of all jobs are held by Africans, but less than two-fifths of the high and middle level jobs which require or are filled by persons with secondary education or above. In this respect the position in

central and local government is very much better than elsewhere. 68 per cent of government posts at secondary or higher levels are held by Africans, compared with 42 per cent in transport and communication, 20 per cent to 25 per cent in manufacturing, commerce and construction and only 12 per cent in major metal mining.

In Zambia the only institutions helping employment are the activities of the Ministry of Labour's officers. Many Africans are unemployed because they lack skills and so are unemployable.

IV. INDUSTRIAL RELATIONS

1. Trade Unions

Trade unionism in Zambia began first among European workers in the railways and mines. It was based essentially on British experience and models. Not till 1948 were unions of African workers formed. They arose first on the Copperbelt. Among the chief of them was the Northern Rhodesian African Mineworkers Trade Union whose present name is the Zambia Mineworkers Union and has about 30,000 members. Table 7 shows the state of union membership in 1964.

Trade union legislation closely follows that of Britain. The legislation is based on some fundamental principles derived from British trade union law:

- (1) freedom of association;
- (2) right to bargain collectively, and, in certain circumstances, to withdraw labour;
- (3) minimum participation and interference by government.

The legislation is embodied in the Trade Unions and Trade Disputes Ordinance, as amended in 1965. This confers a unique legal status upon trade unions and imposes a number of legal duties and obligations upon them. The need for special status and protection arises from the common law doctrines of restraint of trade and conspiracy, which in the absence of legislation to protect trade unions renders them and their objects unlawful. Thus, Section 3 of the Ordinance provides that the objects of trade unions shall not be unlawful merely by reason that they are in restraint of trade.

If trade unions are to be free to pursue their objects they require protection from the consequences of the common law rules relating to restraint of trade and conspiracy -

- (1) protection against actions arising out of the doctrine of restraint of trade and conspiracy is afforded by Section 23;
- (2) protection against actions arising out of the doctrine of conspiracy is afforded by Section 24;
- (3) protection against actions for picketing, provided it is peaceful and does not amount to intimidation, is afforded by Section 25. All these kinds of protection are extended to trade unions against action in contemplation or furtherance of trade dispute.

In addition, trade unions enjoy protection from legal proceedings and claims for damages in respect of -

- (4) torts (whether or not these arise in contemplation or furtherance of a trade dispute).

Section 30 guarantees employees the right of freedom of association. No employer may make it a condition of employment that an employee shall neither be nor become a member of a trade union and any such condition is void.

A properly registered trade union enjoys most of the advantages of legal personality without its disadvantages. Thus, for instance, Section IV provides that no court shall entertain proceedings undertaken with a view to enforcing or obtaining damages for any breach of the specified agreements. This protection applies only to properly registered unions and all unions are obliged to register within six months of their formation.

Application must be in the prescribed form and accompanied by a copy of the rules. 100 or more members may apply. The Registrar's duties are to ensure that the principal objects of the union are the "statutory objects" as defined in Section 2, to ensure that the provisions of Section 9 are observed, to register the union and to issue a Certificate of Registration.

The Registrar may cancel registration:

- (1) at the request of a union;
- (2) if the Certificate was obtained by fraud or mistake, or if the union has been guilty of wilful violation of the provisions of the Ordinance;
- (3) if the constitution of the union has been altered so that the principal objects are no longer the statutory objects.

Part III of the Ordinance contains many different provisions relating to the way in which trade unions are managed, the duties of

trade unions officials, the maintenance of accounts, audit and inspection of accounts and the property of trade unions. One important point is that by Section 13B every official must notify the Registrar of his appointment. Section 15D sets out the disqualifications from holding office:

- (1) less than 3 years in trade;
- (2) where fewer than 500 paid-up members, the official must actually be employed in the trade;
- (3) previously a member of an executive of a union which has had its registration cancelled, unless able to prove to the satisfaction of the Registrar that he was not at fault;
- (4) conviction of an offence which in the opinion of the Registrar renders him unfit to hold office.

In Zambia the collection of union dues has been one of the most intractable problems facing trade unions, and probably accounts for an unusually large number of paid local officials. This is unsatisfactory for two reasons:

- (1) they frequently know little about the industries with which they are concerned;
- (2) it constitutes an unnecessary drain on union funds.

In some industries, unions have negotiated check-off facilities with employers, but this has not been a normal universal practice. Section 20A empowers the Minister to make an order directing employers to grant either check-off or dues-shop facilities to any one affiliated to the Z. C. T. U. He may make a check-off order if he is satisfied that the union is "sufficiently representative" of the employees concerned. For a "dues-shop" order, at least 60 per cent of the employees concerned must be members of the union.

Section 21A prohibits the receipt of assistance from any outside government or international organisation, except with the Minister's approval. By Section 21B, no trade union or federation of trade unions may affiliate to any outside organisation except with the Minister's approval. Section 21C empowers the Registrar to summons witnesses as to the operations of any trade union and for this purpose he may administer oaths.

By section 21D, any two or more unions may form a federation if the majority of the members of the union concerned vote in favour at a secret ballot. All federations must be registered in the same way as trade unions. Affiliation to federations must also be by way of secret ballot of the members (Section 21F). Officers must be elected by majority vote of delegates of affiliated unions in a secret ballot, and the qualifications for holding office are similar to those for officers of trade unions (Section 21G).

The Zambia Congress of Trade Unions was established by the new Section 21 I. It was designed to strengthen the labour movement and to exercise its influence for the good alike of members unions and the people of Zambia as whole. Initially, the Minister is empowered to appoint interim officers for the Congress and declare its rules, but thereafter the officers must be elected in accordance with the rules which themselves may be altered by the Congress. By Section 21K, the Minister may call upon a trade union to hold a secret ballot of its members to determine whether the union should affiliate to the Congress. Withdrawal can only be by the consent of the members obtained by secret ballot. The Minister is empowered in specified circumstances to dissolve the Congress or any other federation of trade unions.

Trade unionism in Zambia is almost entirely organised on an industry basis. This arises from the historical fact that on the railways and mines European workers set up industry-wide unions instead of craft associations. Today the most important union is the Zambia Mineworkers Union. The ZMU has 30,000 members and caters for all those not in staff or supervisory positions; the latter are catered for by the Mines African Staff Association (MASA). In 1964, an effort was made to create one union (The United Mineworkers Union), but this move met with intense opposition from the Z. M. U. The interunion struggle greatly weakened the movement and until mid-1966 the Z. M. U. - the richest and largest union - refused to join the Zambia Congress of Trade Unions. European workers on the mines also had two similar unions, the Mine Workers Society (M. W. S.) and the Mine Officials Salaried Staff Association (M. O. S. S. A.). These two organisations have joined together; today most Europeans are employed on contract. Negotiations are being held to obtain a merger of the Z. M. U. and M. A. S. A.; it is also likely that the European Union will join in this merger, and thus create one union covering all races and occupations in mining.

The Rhodesian Railway Workers Union caters for certain established categories of workers in both Zambia and Rhodesia and has many African members. Its headquarters are in Bulawayo in Rhodesia and so a new union has been formed by the Zambian workers in the past few months. Civil servants and Local Authority Workers have their own associations or unions. The teachers union has had a rather chequered career; its officials have resigned or been changed in quick succession. The Hotel and Restaurant Workers Union disbanded after an unsuccessful strike in 1965, but has been resurrected at the end of 1966. There are also Unions of Building Workers, Commercial Workers, Shop Assistants, Printers, but none of them has achieved the importance of the Mine Workers. Unionism in Zambia faces some big problems. Many of the more able leaders have been taken up into government employment and the new leaders sometimes lack experience and knowhow. The rank and file tend

to make excessive demands - perhaps as a result of unrealistic expectations concerning independence. U.D.I. and the need to keep the economy going has led the government to "rusticate" some European and African union leaders. In addition the wish to have a one-party state has caused misunderstanding between officials of unions and of the United National Independence Party, the government party. Perhaps the most serious problem is the lack of education among the rank and file which causes leaders to be rejected if they do not push for very high wages.

3. Industrial Relations

The special protection conferred upon unions by the legislation is subject to conditions:

- (1) observance of provisions of Section 22, which relates to the notification to the Minister of the existence of a trade dispute;
- (2) essential services - by Section 27, it is an offence to hinder or interfere with the carrying on of essential services. Onus of proving "just cause or excuse" rests upon the accused;
- (3) by Section 28, wilful and malicious breach of contract, knowing or having reasonable cause to believe that the probable consequence, either alone or in combination with others, is to endanger human life or cause serious bodily injury or expose valuable property to destruction or serious injury is an offence.

Strikes are permitted only for specific reasons and after all other measures for settling a dispute have been exhausted.

The powers of the Minister in industrial relations are contained in the Industrial Conciliation Ordinance. The Minister may in his discretion:

- (1) on the application of employers or employees interested appoint a conciliator or a conciliation board;
- (2) order an inquiry into the causes and circumstances of the trade dispute by a board of inquiry. (These boards of inquiry must be distinguished from Commissions of Inquiry under the Commissions of Inquiry Ordinance, which are appointed by the President and which are designed for specified use for industrial matters only)
- (3) by Section 3A the Minister may in lieu of or in addition to (1) and (2) above and with the consent of the parties refer the subject of a trade dispute to an arbitration tribunal mutually agreed upon between the parties, or, failing agreement, appointed by the Minister. This may consist of :

- (a) a sole arbitrator;
- (b) an arbitrator assisted by one or more assessors nominated by employers and an equal number nominated by employees;
- (c) one or more arbitrators nominated by employers, an equal number nominated by employees, and an independent chairman appointed by the Minister.

Powers of Conciliators and Conciliation Boards are limited to argument and persuasion. They have no power to compel parties even to discuss the dispute but remarkable successes have been achieved.

A Board of Inquiry is usually set up when it is believed that it could assist in a settlement by making the causes and circumstances of a dispute made known publicly. A Board consists of a chairman and such other persons as the Minister thinks fit to appoint. It may consist of one person only. The Minister may publish any information obtained or the conclusions of the Board, but information concerning a business or a trade union may not be published without the consent of the organisation concerned. A Board may summons witnesses and take evidence. Legal representation is allowed.

Tables 8 and 9 give information about disputes in 1964. Industrial peace has been upset very often in the past two years.

Miners have run strikes in 1966 that resulted in the Brown Commission of Inquiry, which raised wages by approximately 22 per cent. The Whelan Commission gave a similar award to Civil Servants, teachers, policemen and the Armed Forces. Minimum Wages Councils have made similar increases for shop assistants, hotels workers and general workers. In fact, the pattern of wage increases has been set by Commissions and Councils and the part played by negotiation has been very small. It is expected that increases of approximately 20 per cent will spread through the whole economy. Many thoughtful people are worried about the lack of real negotiation between unions and employers.

4. Government Policy on Labour

In the beginning labour officers were primarily engaged in protecting the African workers. Workers usually came from rural villages and labour officers saw that the recruiting agents did not swindle them. After 1945 they became advisors to the infant trades unions. As these found their feet the policy changed to one of neutrality between workers and employers. Present day labour officers act as independent agents. They are appealed to by workers and employers when disagreements arise between them.

The government has also set up a number of institutions to help workers. Until 1964 workmen's compensation insurance was conducted by insurance companies under the supervision of the government. In 1964, a State scheme of Workmen's Compensation insurance was introduced and responsibility for insuring workmen was withdrawn from the multiplicity of insurance companies and conferred upon the Workmen's Compensation Fund Control Board, whose Headquarters were established at Ndola. Under the new Workmen's Compensation Ordinance, whether his employer was insured with the Fund or not, when a workman was injured in the course of his employment, he received all benefits due to him under the Ordinance. In 1963, domestic servants were brought within its scope.

Social security in Zambia has been brought in, in an effective manner, by the introduction of the National Provident Fund. Briefly, this is really what amounts to an involuntary savings scheme for all workers whose pensions are not safeguarded by legislation. All employers of workmen are required to register with the Provident Fund Office in Lusaka. The idea is that employees will contribute a sum of approximately one shilling in every pound they earn during their working life and that at the appropriate retiring age, they draw benefits which might be in the form of annuities or pension. Should a worker retire prior to the age of 55, because of injury or other unforeseen circumstances, then benefits could be drawn, but it would not be possible for an employee who leaves his employer to withdraw his contributions to the Fund if he has not attained the age of 55.

This scheme will ensure that there is some means of subsistence for every aged worker. One interesting aspect of the savings scheme is that the money the worker puts into the Fund immediately doubles as the employer pays an equal amount.

In the field of statutory minimum wages, the Ministry of Labour and Social Development has made considerable progress in replacing the racially-orientated wages councils and boards by non-racial bodies. Already the two separate wages councils for employees in shops have been abolished and replaced by a new Wages Council for Shopworkers, which will determine minimum wages and conditions of service for all employees in the retail trade. The Wages Council for Africans Employed in the Building Industry has also been abolished, as well as the Wages Council for Africans Employed in Hotels, Clubs, and Restaurants, but until such time as new wages determinations come into force, the existing determinations will remain valid and enforceable. The Wages and Conditions of Employment Board is also being reconstituted so that in future it will operate on a non-racial basis.

On the 1st March, 1964, a wages determination came into force which prescribed a minimum rate of pay of £ 5. 10. 6d a month for agricultural workers in the Southern, Central and Western Provinces, and £ 4. 0. 2d. a month for those in the Eastern Province. A statutory working week of forty-eight hours with provision for overtime payment to workers obliged to work in excess of these hours was introduced with effect from the 20th May, 1966, for agricultural workers in the Southern, Central, Western and Eastern Provinces.

Another important change was the introduction of a statutory wages determination to have general application in all rural areas. This prescribed a minimum wage of 7 1/2d. per hour for all male employees. It also provided for leave at the rate of one day for each completed month of service and stipulated a working week of forty-eight hours. Overtime payment for hours worked in excess of forty-eight must be paid for a time and a half for "ordinary" overtime and double time for "holiday" overtime. These rates and conditions of employment were published in Gazette Notice No. 648 on the 18th March, 1965.

The Apprenticeship Ordinance and its Regulations were brought into force on 3rd September, 1965. The new law gave greater executive power to the Controller of Apprenticeship and revised the list of scheduled trades. The minimum age for entry into apprenticeship training was fixed at 15 years without a maximum limit. The necessary academic qualifications varied from Standard VI in the building trades to Form II passes in English, mathematics and two other subjects for most engineering trades.

The number of registered Zambian apprentices increased from about fifty-six at the end of 1964 to approximately eighty-six at the end of 1965. Overall registrations for the same respective periods were 232 and 204. The number of Zambian apprentices is fast catching up with that of expatriates and it is hoped that they will outnumber them within the next three years. Because of the importance attached to this, other countries have been asked to assist and in Kenya thirty-five Zambian young men started two-year basic apprenticeship training courses at the East African Railways Training School in Nairobi early this year.

The Trainee Training Scheme for the Building Industry was brought into operation this year. The main feature of the scheme is the sponsorship element. Employers pay £ 33 per year for each sponsored trainee for a year's full-time residential course at a trade school, at the end of which the trainee returns to the employer for on-the-job training with a possibility of returning to the trade school in the third year. The scheme combines theory and practice, which were separated by previous full-time technical training programmes. Thirty 1965 trade school leavers are now undergoing their second year with employers and the 1966 potential sponsored intake of 107 started their first-year training at the trade schools in May.

The big changes in hours and wages in recent years have been helped by the great increase in economic activity and by the shortage of skills in Zambia. Workers are in a sellers' market and inflation is a very serious possibility. This had been pointed out by the Seers Commission in 1964, and was repeated by the Brown Commission: " We believe that the time has come, and indeed is overdue, for the movement of wages in the mining industry to be guided by a policy on wages, incomes and profits which can only be formulated by the Government itself. A measure of wage restraint will not be achieved by economists writing about it in their reports; still less because it is enthusiastically espoused by the mining companies as their own policy. In some respects what is good for the mining companies may be good for Zambia, but the workers in the industry are not likely to accept this simply because their employers say so.

We believe that what needs to be done is - for Government to lay down the guide lines which will in future determine the movement of wages; and for Government to implement its policy by participating more directly in the process of collective bargaining. We think that we would be exceeding our mandate if we were to specify how this should be done.

There are many possibilities, ranging from informal consultation to the establishment by law of arbitral machinery. It is a matter for government in consultation with the trade union movement and the employers to choose the appropriate method."

Thus it appears that Zambia, with a stronger economic situation than many developing countries, is confronted by particularly important industrial relations problems which require solution if the country is to achieve its full development potential.

TABLE 1

ESTIMATED DISTRIBUTION OF TOTAL AFRICAN POPULATION BY SEX,
BROAD AGE GROUPS AND TYPE OF AREA, MAY/JUNE, 1963

<u>Area and Age Group</u>	<u>Males</u>		<u>Females</u>		<u>Total</u>	
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
URBAN						
Under 21	184,270	10.9	180,170	10.5	364,440	10.7
21 - 45	169,860	10.1	104,740	6.1	274,600	8.1
Over 45	21,000	1.2	7,500	0.4	28,500	0.8
Sub-Total	375,130	22.2	292,410	17.0	667,540	19.6
RURAL						
Under 21	758,130	44.9	768,510	44.7	1,526,640	44.8
21 - 45	371,460	22.0	446,200	25.9	817,660	24.0
Over 45	185,400	10.9	211,300	12.3	396,700	11.6
Sub-Total	1,314,990	77.8	1,426,010	83.0	2,741,000	80.4
Total	1,690,120	100.0	1,718,420	100.0	3,408,540	100.0

TABLE 2

INDUSTRIAL ORIGIN OF THE G. D. P. AT FACTOR COST,
1954 AND 1960 - 1964

£ Million

	<u>1954</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964¹</u>
Agriculture	15.7	22.7	24.4	23.2	25.8	27.3
(a) African	13.1	18.2	18.6	17.6	20.5	20.7
(b) Non-African	2.6	4.5	5.8	5.7	5.3	6.6
Mining and Quarrying	80.3	107.3	97.3	94.0	96.4	119.8
Manufacturing	4.5	8.3	10.4	10.5	12.0	14.1
Building and Construction	8.9	10.2	8.8	7.9	8.3	10.0
Electricity and Water	0.4	4.1	3.8	3.9	4.2	3.5
Distribution	9.2	14.7	14.6	15.6	15.7	18.1
Banking, Insurance and Finance	0.4	0.9	1.0	1.2	1.3	0.3
Real Estate	0.6	2.5	2.9	3.0	3.1	3.8
Ownership and Dwellings	0.7	1.3	1.4	1.4	1.4	1.5
Transport and Communi- cations	4.8	10.4	9.8	9.8	9.9	10.3
Education	1.2	3.1	3.3	3.6	4.3	4.9
Health	0.7	1.5	1.5	1.6	1.6	1.7
Domestic Services	1.7	3.0	3.1	3.4	3.4	3.5
African Rural Household Services	2.9	3.8	3.8	3.6	4.3	4.3
Services, other	3.1	5.3	5.5	5.6	5.5	6.1
Public Administration	3.1	7.4	8.2	9.0	9.4	10.6
G. D. P.	138.5	206.6	199.7	197.0	206.5	239.9

¹Provisional

Source: National Accounts and Balance of Payments of Zambia,
1954-- 1964, Central Statistical Office

TABLE 3

SECTORAL SHARES IN GDP AND ANNUAL GROWTH RATES IN GDP
BY SECTORS

1954 to 1964

	1954 Sectors as % of total	Mean compound percentage rates of growth				1964 Sectors as % of total
		1954 to 1964	1954 to 1960	1960 to 1963	1964	
Agriculture - Total	<u>11.4</u>	5.7	6.1	3.5	5.8	<u>11.4</u>
African	9.5	4.6	5.6	4.0	0.9	8.3
Non-African	<u>1.9</u>	9.7	9.6	5.5	24.6	2.8
Mining and Quarrying	<u>58.0</u>	4.1	5.0	-3.6	24.3	50.0
Manufacturing	3.2	12.1	17.6	13.1	17.5	5.9
Building and Construction	6.4	1.2	2.3	-6.6	20.5	4.2
Electricity and Water	0.3	24.3	151.4	0.8	-19.9	1.4
Distribution	6.7	7.0	8.1	2.2	15.3	7.5
Transportation and Communications	3.5	7.9	13.7	-1.6	4.0	4.3
Government	3.6	13.2	15.7	8.4	12.4	7.2
Other	6.8	7.6	10.2	4.2	2.6	8.2
TOTAL	100.0	8.1	7.2	0.0	16.1	100.0

Source: Derived from Table 2

Table 4

Employment by Industrial Sectors, 1954, 1960-1964 and June, 1965
(thousands)

	1954			1960			1961			1962			1963			1964			1965			Percentage of Total in June '65
	A	N.A.	T	A	N.A.	T	A	N.A.	T	A	N.A.	T	A	N.A.	T	A	N.A.	T	A	N.A.	T	
Agriculture, Forestry and Fishing	39.0	0.5	39.5	37.4	0.7	38.1	37.8	0.7	38.5	38.0	0.7	38.7	36.0	0.7	36.7	34.5	0.7	35.2	31.0	0.5	31.5	10.7
Mining and Quarrying	44.1	6.8	50.9	42.7	8.0	50.7	42.1	8.1	50.2	41.1	8.3	49.4	40.8	8.2	49.0	42.5	8.3	50.8	44.2	8.8	53.0	18.1
Manufacturing	16.1	1.7	17.8	17.9	2.6	20.5	17.5	2.8	20.3	17.4	2.9	20.3	15.9	3.0	18.9	18.0	2.9	20.9	21.7	3.4	25.1	8.6
Construction	56.0	3.2	59.2	36.0	2.7	38.7	30.0	2.5	32.5	23.9	1.9	25.8	23.4	1.9	25.3	29.1	2.0	31.1	44.7	2.1	46.8	16.0
Electricity, Water and Sewage	2.4	(n)	2.4	2.7	0.3	3.0	2.5	0.3	2.8	2.4	0.3	2.7	2.0	0.3	2.3	1.8	0.4	2.2	1.9	0.5	2.4	0.8
Commerce	12.4	4.7	17.1	14.7	6.8	21.5	14.9	6.6	21.5	15.3	7.0	22.3	13.9	6.3	20.2	14.5	6.4	20.9	16.4	6.4	22.8	7.8
Transport and Communications	6.8	2.2	9.0	10.4	3.1	13.5	10.3	3.0	13.3	9.6	3.1	12.7	8.3	2.9	11.2	8.7	2.7	11.4	9.7	2.3	12.0	4.1
Private Domestic Service	29.6	(n)	29.6	35.8	(n)	35.8	35.9	0.1	36.0	36.2	0.1	36.3	36.0	(a)	36.0	35.4	(a)	35.4	35.0	(a)	35.0	11.9
Other Services	34.0	5.6	39.6	46.2	8.7	54.9	46.8	8.6	55.4	46.2	9.2	55.4	40.2	9.2	57.4	52.4	8.4	60.8	56.3	8.2	64.5	22.0
Total Recorded Employment	240.4	24.8	265.1	243.8	32.9	276.7	237.8	32.7	270.5	230.1	33.5	263.6	224.5	32.5	257.0	236.9	31.8	268.7	260.9	32.2	293.1	100.0

Notes: A = Africans

NA = non-Africans

T = Total

(n) = negligible

(a) = included in other services

Table 5

Gross Fixed Capital Formation, Gross Investment
and Gross National Savings

(£ million)

	<u>1954</u>	<u>1956</u>	<u>1958</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
Gross Fixed Capital Formation	37.5	50.8	44.0	38.0	39.9	36.7	33.0	38.1
Net change in stocks	-6.2	7.1	-9.8	11.7	9.4	8.9	4.5	-9.4
Gross Domestic Investment ..	<u>31.3</u>	<u>57.9</u>	<u>34.2</u>	<u>49.7</u>	<u>49.3</u>	<u>45.6</u>	<u>37.5</u>	<u>28.7</u>
Current Accounts Balance of Payments	<u>12.8</u>	<u>6.6</u>	<u>-5.7</u>	<u>13.1</u>	<u>7.5</u>	<u>-0.2</u>	<u>12.6</u>	<u>38.7</u>
Gross National Savings	<u>44.1</u>	<u>64.5</u>	<u>28.5</u>	<u>62.8</u>	<u>56.8</u>	<u>45.4</u>	<u>50.1</u>	<u>67.4</u>
Gross Fixed Capital Formation of % of G.N.P.	<u>32%</u>	<u>32%</u>	<u>33%</u>	<u>20%</u>	<u>22%</u>	<u>20%</u>	<u>17%</u>	<u>18%</u>
Gross National Savings as % of G.N.P.	<u>38%</u>	<u>40%</u>	<u>21%</u>	<u>34%</u>	<u>31%</u>	<u>25%</u>	<u>26%</u>	<u>31%</u>
Private as % of Total Gross Fixed Capital Formation ..	<u>61%</u>	<u>67%</u>	<u>47%</u>	<u>51%</u>	<u>58%</u>	<u>58%</u>	<u>62%</u>	<u>68%</u>

TABLE 6

NET OUTPUT, EMPLOYMENT AND EDUCATED MANPOWER IN THE MAJOR
SECTORS OF THE ZAMBIAN ECONOMY IN 1965

<u>SECTOR</u>	<u>Net Output</u> (value added) <u>£ millions</u>	<u>Total</u> <u>Employment</u> (000's)	<u>Educated</u> <u>Manpower</u> (000's)
Agriculture	5.5	25.4	1.2
Major Metal Mining	148.2	50.8	8.5
Other Mining and Quarrying	0.5	2.9	0.3
Manufacturing	19.4	31.2	5.6
Construction	17.3	44.6	3.3
Electricity and Water	0.6	3.3	0.4
Commerce and Finance	43.6	24.4	9.1
Transport and Communications	11.6	11.5	3.6
Government	29.9	64.0	20.5
Domestic Services	3.3	35.0	-
Other Services	5.8	12.8	3.4
Total (non-subsistence sector)	282.2	305.9	56.0
Agriculture (subsistence sector): income from sales	3.2)		
subsistence income	18.5)	500	-
Total GDP at factor cost	303.9	-	-

Source: GDP and total employment: Central Statistical Office; Educated Manpower: 1965-66 Manpower Survey.

TABLE 7

TRADE UNIONS, COMMERCIAL AND INDUSTRIAL ASSOCIATIONS
AS AT 31st DECEMBER, 1964

Employers:

Association of Northern Rhodesia Industries.
Commercial Farmers' Union of Zambia.
Federation of Master Printers of Zambia.
Hotel Association of Zambia.
Indian Chamber of Commerce.
Lusaka Chamber of Commerce and Industry.
Master Builders and Allied Trades Association of Zambia.
Millers Association of Zambia.
Motor Trade Association of Zambia.
Municipal Association of Zambia and Malawi.
Muslim Chamber of Commerce.
North-Eastern Rhodesia Agricultural Association.
Northern Rhodesia Cast Concrete Manufacturers' Association.
Zambia Road Hauliers Association.
Zambia Federation of Employers.
Zambia Industrial and Commercial Association.
Zambia Association of Civil Engineering Contractors.
Zambia Branch of Sanitary Ware and Hardware Merchants' Association of Central Africa

Employees (Registered):

	Year Registered	Members at 31-12-64
Under 50 members:		
Pilots' Association of Central Africa (in Zambia)	1963	2
50 to 250 members:		
Northern Rhodesia Dairy Marketing Board Staff Association	(1)1963	50
Amalgamated Engineering Union (in Zambia)	1950	130
Northern Rhodesia Localised Civil Servants' Association	1958	134
251 to 1,000 members:		
Northern Rhodesia Association of Local Government Officers	1952	525
Northern Rhodesia Mines African Police Association	1957	545
Zambia Typographical Union	1961	302
Rhodesian Society of Bank Officials	1961	450*
Her Majesty's Overseas Civil Service Association of Northern Rhodesia	(2)1962	846
Northern Rhodesia Civil Servants' Union	1964	580
Shops and Factories Workers Union	(3)1963	500*
National Union of Health Employees (of United T.U.C.)	1963	750*
1,001 to 5,000 members:		
Rhodesia Railway Workers' Union (in Zambia)	(4)1949	1,386
Railway African Workers' Union (in Zambia)	(4)1960	4,876
Mine Workers' Society	(5)1950	3,691
Northern Rhodesia Mine Officials and Salaried Staff Assoc.	1950	3,038
United Mineworkers' Union (Northern Rhodesia)	(6)1954	3,400
Central African Road Services Workers' Trade Union	(7)1954	1,300
Northern Rhodesia Civil Servants' Association	(8)1957	1,643
National Union of Hotel, Catering and Domestic Workers	(9)1961	1,135
National Union of Transport and General Workers	1961	1,000*
National Union of Postal and Telecommunication Workers (of United T.U.C.)	1964	1,058
Northern Rhodesia Union of Teachers	(10)1962	2,401
National Union of Plantation and Agricultural Workers of United T.U.C.	1962	3,300*

Over 5,000 members:

Northern Rhodesia African Mineworkers' Trade Union	1957	32,000
National Union of Commercial and Industrial Workers of United Trades Union Congress	1960	15,300
National Union of Building, Engineering and General Workers(11)	1960	10,000*
National Union of Public Services Workers	1960	5,400*
National Union of Local Authorities Workers	1961	5,912
Total Membership Registered Unions		<u>101,654</u>

Unregistered:

United Trades Union Congress	(12)	17
Kabwo Mine Employees Association		167
Zambia Mines Staff Association		372
		<u>556</u>

- Notes: (1) Name since changed to Zambia Dairy Produce Board Staff Association.
 (2) Name since changed to Designated Officers' Association of Zambia.
 (3) Certificate of registration cancelled but awaiting confirmation or disapproval.
 (4) Registered under Cap. 175.
 (5) Formerly Northern Rhodesia Mine Workers Union.
 (6) Formerly Northern Rhodesia Mines' African Staff Association. Name since changed to Mines Local Staff Association (Zambia)
 (7) Name since changed to Zambia Long Distance and Heavy Haulage Union.
 (8) Name since changed to Zambia Civil Servants' Association.
 (9) Certificate of registration cancelled but awaiting confirmation or disapproval.
 (10) Name since changed to Zambia National Union of Teachers.
 (11) Formerly National Union of Building, Wood and Metal Workers.
 (12) Federation of Employee Unions.

* Estimated membership.

(Source: Zambia Annual Report of the Dept. of Labour 1964).

TABLE 8
INDUSTRIAL DISPUTES INVOLVING LOSS OF WORK DURING 1964

I.L.O Class No.	Industry	Number of Disputes	Numbers Direct ly Involved		Man Days Lost	Causes of Dispute					Settlement				
			Euro- pean	African		Dis- charge of Emple- yee	Condi- tions	Wage Non- Pay- ment	Demand for more Pay	Other Cau- ses	Inter- vention by Labour Dept.	Conci- liation by Labour Dept.	Direct Negotia- tion	Concilia- tor ap- pointed by Minister Arbitra- tion	Not Settled
010	Agriculture	24	-	879	1,678	2	4	-	-	18	16	6	2	-	-
021	Forestry	1	-	180	540	1	-	-	-	-	-	-	1	-	-
022	Logging	1	-	472	472	-	-	-	1	-	1	-	-	-	-
040	Fishing	1	-	92	368	-	-	-	-	1	-	-	-	1	-
122	Metal Mining	22	313	6,517	69,234	3	3	-	-	16	1	1	18	2	-
140	Stone Quarrying	4	-	414	1,435	3	-	-	-	1	1	3	-	-	-
206	Bakery Products	1	-	8	1	-	-	-	-	1	-	-	1	-	-
207	Sugar Manufacture	1	-	180	180	-	-	-	-	1	1	-	-	-	-
208	Sweet Manufacture	1	-	53	53	-	-	-	1	-	1	-	-	-	-
220	Tobacco Manufacture	1	-	293	182	-	-	-	-	1	1	-	-	-	-
213	Textile Wearing	1	-	298	112	-	-	-	-	1	1	-	-	-	-
243	Wearing Apparel Manufacture	6	-	660	469	2	-	-	2	2	3	2	1	-	-
260	Furniture Manufacture	2	-	85	8	1	1	-	-	-	1	-	1	-	-
280	Printing and Publishing	1	-	15	15	1	-	-	-	-	-	1	-	-	-
292	Leather Product, Manufacture	1	-	12	29	-	1	-	-	-	1	-	-	-	-
331	Clay Products Manufacture	1	-	45	90	-	-	-	-	1	1	-	-	-	-
332	Glass Manufacture	1	-	15	6	-	-	-	-	1	1	-	-	-	-
334	Cement-Manufacture	1	-	229	394	-	-	-	-	1	1	-	-	-	-
342	Refining Metals	5	-	1,215	3,759	1	-	-	1	3	-	-	4	1(a)	-
350	Metal Products Manufacture	3	-	123	114	1	-	-	-	2	1	-	2	-	-
370	Electrical Machinery Manufacture	1	-	8	8	-	-	-	-	1	1	-	-	-	-
383	Motor Vehicle Manufacture	1	-	49	31	-	-	-	1	-	-	1	-	-	-
400	Construction-Buildings	26	-	3,130	9,479	5	2	-	4	15	13	10	2	1	-
401	Construction-Civil Engineering	13	-	1,827	4,815	5	2	-	1	5	10	-	2	1(a)	-
511	Electric Light and Power	2	-	41	68	-	-	-	2	-	2	-	-	-	-
612	Retail Trade	1	-	20	7	1	-	-	-	-	1	-	-	-	-

(continued)

I.L.O Class No.	Industry	Number of Disputes	Numbers directly involved		Man Days Lost	Causes of dispute					Settlement				
			Euro- pean	African		Dis- charge of Em- ployee	Condi- tions	Wage Non- Pay- ment	Demand for more pay	Other Causes	Inter- vention by Labour Dept.	Conci- liation by Labour Dept.	Direct Nego- tiation	Concilia- tor ap- pointed by Minister Arbitration	Not Settled
711	Railway Transport	3	1,222	5,563	16,147	-	-	-	-	3	2	-	1	-	-
714	Road Transport	5	-	761	517	1	-	-	-	4	1	-	4	-	-
810	Government Services	12	-	5,983	15,286	-	-	-	-	12	6	-	5	1	-
822	Medical Services	1	-	40	48	-	-	-	1	-	1	-	-	-	-
842	Restaurants, Cafes, etc.	4	-	26	11	1	1	-	-	2	2	1	1	-	-
843	Hotels	2	-	37	140	1	-	-	-	1	-	1	1	-	-
844	Laundry, Dry Cleaners	1	-	84	42	-	-	-	-	1	1	-	-	-	-
	Totals	151	1,535	29,354	125,738	29	14	-	14	94	72	26	46	7	-

(a) Conciliation proceedings uncompleted by the end of the year

(Source: Zambia. Annual Report of the Dept. of Labour 1964)

TABLE 9
INDUSTRIAL DISPUTES INVOLVING NO LOSS OF WORK DURING 1964

ILO Class No.	Industry	Number of Disputes	Numbers Directly Involved		Cause of Dispute					Settlement				
			European	African	Discharge of Employee	Conditions	Wage Non-Payment	Demand for more Pay	Other Causes	Intervention by Labour Department	Conciliation by Labour Department	Direct Negotiation	Conciliator appointed by Minister Arbitration	Not Settled
010	Agriculture	4	-	24	3	-	-	-	1	1	-	-	3(a)	-
122	Metal Mining	12	5,639	31,353	5	1	-	4	2	-	1	-	11(a)	-
201	Abattoirs, Meat Packing Plants	2	-	79	2	-	-	-	-	-	-	-	2	-
205	Grain Mill Products	1	-	3	-	-	-	-	1	1	-	-	-	-
213	Breweries	1	-	1	1	-	-	-	-	-	-	-	1	-
220	Tobacco Manufacture	2	-	2	2	-	-	-	-	-	-	-	2	-
231	Textile Wearing	1	-	315	-	-	-	1	-	-	-	-	1	-
334	Cement Manufacture	1	-	90	1	-	-	-	-	-	-	-	1	-
339	Asbestos Manufacture	1	-	3	1	-	-	-	-	-	1	-	-	-
384	Repair of Motor Vehicles	1	-	1	1	-	-	-	-	-	1	-	-	-
400	Construction - Buildings	2	-	18	1	-	-	-	1	1	-	-	1	-
401	Construction - Civil Engineering	1	-	13	-	-	-	-	1	-	1	-	-	-
511	Electric Light and Power	2	-	8	2	-	-	-	-	2	-	-	-	-
612	Retail Trade	1	-	1	1	-	-	-	-	-	1	-	-	-
711	Railway Transport	2	-	2,832	-	-	-	-	2	-	-	-	2	-
714	Road Transport	4	-	204	4	-	-	-	-	1	-	1	2	-
810	Government Services	9	750	4,422	3	-	-	3	3	2	-	-	7(a)	-
821	Educational Services	2	-	13	1	-	-	-	1	-	1	-	1	-
824	Welfare Institutions	2	-	17	-	-	-	-	1	-	2	-	-	-
827	Trade and Labour Organisation	1	-	1	1	-	-	-	-	-	1	-	-	-
843	Hotels	3	-	133	1	-	-	-	2	1	-	-	2	-
844	Laundries, Dry Cleaners	2	-	248	1	-	-	1	-	-	-	-	2	-
Totals		57	6,389	39,781	32	1	-	9	15	9	9	1	38	-

(Source: Zambia. Annual Report of the Dept. of Labour, 1964)

(a) Conciliation proceedings uncompleted by the end of year.