

# **e**-Magazine

Volume 6 June 2023 #AGM2023

# ATE held its 64th AGM & High Level Conference

The Association of Tanzania Employers (ATE) successfully conducted its 64th Annual General Meeting (AGM) and High Level Conference under the topic "The Role of Social Partners in Promoting Skills Development through Workplace Learning Models (Apprenticeship, Internship and Practical Training)" on Thursday at Serena Hotel Dar es Salaam.

The Guest of Honour was the Minister of State in the Prime Minister's Office - Labour, Youth, Employment & Persons with Disabilities (PWDs), Hon. Prof. Joyce Lazaro Ndalichako (MP) who was represented by the Deputy Minister from Prime Minister's Office - Labour, Youth, Employment & Persons with Disabilities of the Ministry Hon. Patrobas Paschal Katambi (MP).



Addressing the Conference, the Deputy Minister commented that the discussions on skills development were reflecting on Government's efforts in cooperating with Stakeholders in developing skills in Tanzania.



"In ensuring that the skills development programmes are sustainable, the country's budget for 2023/24, proposed to reduce Skills Development Levy (SDL) from 4 per cent to 3.5 per cent and promised to continue to reduce it gradually in order to reduce the burden on employers and stimulate opportunities of employment in the country".

Hon. Katambi urged all Employers in the country to provide opportunities to people with disabilities to betrained to develop skills in the workplace in order to attain diversity and inclusion.



# **Remarks from the High-Level Conference**



ATE Chairperson, Mr. Oscar Mgaya welcoming the Chief Guest, thanked Employers for voting for him as the new Chairperson of the Association and Ms. Imelda Lutebinga as Vice Chairperson and assured the Government that ATE will continue to work with all Social Partners for conducive business environment.



ATE CEO, **Ms. Suzanne Ndomba- Doran** said that this year Conference aimed to discuss the role of Social Partners in developing skills in the workplace through apprenticeships, graduate work training and practical.

She also commended the Government for continuing to provide incentives and motivation through various policies and programmes including reducing SDL from 4% to 3.5% to stimulate the participation of Employers in developing skills but also in creating employment.



ATE Head of Policy, Research and Advocacy, Mr. Kennedy Rwehumbiza presented on the Topic during the Conference, The Role of Social Partners in Promoting Skills Development through Workplace Learning Models.

### **Panel Discussion**





Panel discussion on the Role of Social Partners in Promoting Skills Development through Workplace Learning Models. The panelists for this session were the Director of Employment Services Unit, (TaESA), **Mr. Joseph S. Nganga**, Director of Compliance, Monitoring & Evaluation of the National Council for Technical and Vocational Education and Training (NACTVET), **Dr. Jofrey Oleke**, Country HR & Administration Manager of SILAFRICA Tanzania Ltd, **Mr. Norbert Ntwenya** and East Africa Manager of the Confederation of Danish Industry (DI), **Mr. Klaus L. Christensen.** 

The panel discussion was moderated by the Head of Legal Services at ATE, Adv. Mercy-Grace Seuya.

# Quotes from the High -Level Conference















# The 64th Annual General Meeting (AGM)

During its 64th Annual General Meeting (AGM) the Association elected the Chairperson and Vice Chairperson to lead ATE for (3) years (2023-2026).

The Chief Executive Officer of Tanzania Mortgage Refinance Company Limited (TMRC), **Mr. Oscar Mgaya** was elected by the Annual General Meeting to be the new Chairperson of the Association.

The Country General Manager of G4S Secure Solutions (T) Limited **Ms. Imelda Lutebinga** was elected by the Annual General Meeting to be the new Vice Chairperson of the Association.

The Chairperson and the Vice Chairperson both thanked members and argued for support from them, Government and Stakeholders for the progress of the employment Sector in the Country.



# **Congratulations**

# A T E ABBOGIATION OF TANZANIA EMPLOYERS Employers' Choice

# ATE congratulates

Mr. Oscar Mgaya, the CEO of TMRC for being elected by the Annual General Meeting as the new Chairperson of ATE.

We wish him all the best in his new role.





# ATE congratulates

Ms. Imelda Lutebinga, the Country General Manager of G4S Secure Solutions (T) Limited for being elected by the Annual General Meeting as the new Vice Chairperson of ATE.

We wish her all the best in her new role.

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# More Pictorial from the AGM & High Level Conference



A cross section of Panelists, main presenter with the Chief Guest.



The outgoing Members of ATE Management Board in a group photo with the Chief Guest



Members of ATE Management Board in a group photo with the Chief Guest.



A cross section of representatives of ATE Premium Members with the Chief Guest.

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# **More Pictorial ......cont..**



ATE Secretariat in a group photo with the Chief Guest.

# **64th AGM APPRECIATION POST**



## ATE Participations at the ILC in Geneva

The Association of Tanzania Employers (ATE) represented by its CEO, **Ms. Suzanne Ndomba-Doran** participated at the 111th International Labour Conference (ILC) in Switzerland in June 2023. The Association joined delegates from other Governments, Workers Unions and Employers Organisations from the 187 Member States of the International Labour Organisation (ILO).

This year, the Conference discussed on the International Labour Standards and adherence to ILO Conventions by the Member States, transition towards sustainable and inclusive economies, quality apprenticeships and internships together with labour protection.

The International Labour Conference closed with the adoption of a new recommendation on quality apprenticeships. Delegates also passed resolutions on a just transition and labour protection, as well as adopting the standards report and the programme and budget, and a resolution on Belarus.

The new labour standard on Apprenticeship aims to support "opportunities for people of all ages to skill, reskill and upskill continuously" in rapidly changing labour markets. It provides a clear definition of apprenticeships, specifies aspirational standards for quality apprenticeships, including rights and protection for apprentices.





On the pictures ATE CEO, Ms. Suzanne Ndomba Doran, the Director General of PSSSF, Mr. Hosea Kashimba, Director General of WCF, Dr. John Mduma and the Director General of NSSF, Mr. Masha Mshomba.

#### Prof. Ndalichako addressed the ILC in Geneva

The Minister of State, Prime Minister's Office (Labour, Youth, Employment and Persons with Disability **Hon. Prof. Joyce Lazaro Ndalichako (MP)** led the Tanzanian delegation at the 111th International Labour Conference ng of the International Labor Organization (ILO) that was held in Geneva.

Addressing the Conference, **Prof. Ndalichako** explained various Employment and Labour issues that Tanzania has implemented in promoting social jusice at workplace such as the amendment of the Law in the Social Security Sector that aimed to increase the scope of Social Security in the informal Sector, the announcement of the New Minimum Wage Order of 2022 and the continuing review of labour laws to strengthen the implementation of the Regulations Fundamentals and Rights of work and enacting Six Principles concerning Health and Safety issues at the Workplace



The Minister also mentioned various efforts made by the Country in developing skills, including funding skills development initiatives such as Internship and Apprenticeship.



ATE CEO, Ms. Suzanne Ndomba-Doran at the plenary session of the ILC 2023 with Hon. Prof. Joyce Lazaro Ndalichako (MP) Minister of State, Prime Minister's Office (Labour, Youth, Employment & PWDs), the Labour Commissioner Ms. Suzan Mkangwa and OSHA CEO, Ms. Khadija Mwenda.

# **EAEO held its Meeting in Geneva**

The East Africa Employers' Organisations (EAEO) Executive Council held its Meeting in Geneva during the 111th International Labour Conference and elected **Mr. Douglas Opio**, Executive Director of Federation of Uganda Employers (FUE) to be the Chairperson of EAEO & **Ms. Suzanne Ndomba-Doran** to continue as the Secretary General of the EAEO. EAEO is an Employer Organisation for East African Countries with an objective to advocate for business and Employment matters within the East African Community.



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## **ATE conducted Leadership and Board Competence Classes**

ATE in partnership with ESAMI conducted Leadership and Board Competence Classes of the Female Future Programme which were held from the 6th -9th of June 2023 at Sea Cliff Hotel Dar es Salaam. These are ongoing classes after the launch of the 9th Cohort of 72 participants in April 2023.

During the four days sessions, participants had practical exercises and learned how to cultivate their inner leadership potential as well as building their potential attributes towards sitting and perfoming on corporate boards.

The Female Future Programme has been offering practical Rhetoric, Leadership & Board Competence skills to women to attain management roles and board positions.









Cross section of participants during Cohort 9 Session of Leadership and Board Competence Classes of the Female Future Programme







A cross section of Cohort 9 participants with their facilitators from ESAMI during the Leadership and Board Competence Classes of the Female Future Programme.

# **Public-Private Dialogue on Workplace Learning for On-Job Transition**

ATE organised a Public-Private Dialogue on Workplace Learning for On-Job Transition at Four Points Hotel, Dar es Salaam on 27th June 2023.

Participants included Employers from the Industry and Manufacturing Sectors, Development Partners such as GIZ & KOICA and implementing partners-GOPA Solid Rock & VETA Institutions. The dialogue served as a vital platform to address the pressing challenges surrounding Workplace Learning and effective on-job transition strategies.

This event aimed to foster collaboration, knowledge exchange and innovative approaches in order to empower individuals and organisations in navigating transitions successfully. The dialogue entailed insightful presentations, interactive sessions, and thought-provoking discussions.

The event shed light on cutting-edge practices, shared successful case studies and explored emerging trends in workplace learning collaborative partnerships between employers, project partners, and the government were emphasized as key drivers of a skilled and adaptable workforce.

















Updates from our Zones

Employers' Choice

# ATE Participation at the Social Behaviour Change (SBC) co-Creation Workshop in Dodoma

ATE represented Employers to the Social Behaviour Change (SBC) co-Creation Workshop, Tanzania Inclusive Eye Health project and Economic Empowerment held by SIGHTSAVERS in Dodoma.

In his presentation, the Programme Manager for Sightsavers Tanzania Country Office, **Mr. Edwin Maleko**, said that the workshop among others aimed at discussing key determinants that will drive social, and behaviour change and contribute to overall eye health impact through the implementation of community level activities and promote local ownership of SBC activities.

He said that the Convention on the Rights of Persons with Disabilities (CRPD) aims to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with Disabilities and to promote respect for their inherent dignity. "Persons with Disabilities include those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others," he said.

Various barriers facing Persons with Disabilities were also cited including environmental (distance to services, accessible transportation, lack of ramps etc.); Communication (sign language interpreters, etc.); Attitudinal (misconception about requirements, capabilities and rights, stigma, prejudice, pity, charity etc.); Institutional (Discriminatory policies/legal frameworks, Institutional practices, prioritization, human and financial resources).

This workshop took place at Nashera Hotel and was attended by Government Officials, Employers and Workers from both Public and Private Sector.









## **A Courtesy Visit to ATE**



ATE received delegates from the Confederation of Danish Industries (DI) who were visiting for the purpose of discussing the progress of the implementation of the TVET and SPA Projects here in Tanzania



ATE also had a meeting with Shirikisho la Vyama vya Wafanyakazi Tanzania (SHIVYAWATA) together with Kilimanjaro Blind Trust Africa (Kenya) discussing implementing a Project supporting Learners with visual impairment to have access to digital education and employability in Tanzania.



# Policy, Research & Advocacy



# Restoration of Predictability in the Excise Duty Regime in Tanzania: Shift from Annual Excise Duty Specific Rates Indexation to a 3-Years Indexation Regime

The Excise (Management and Tariff) Act, Cap 147, Section 124(1) imposes an excise duty on excisable non-petroleum products, which may include mineral waters, beers made from malt, spirits, cigarettes containing tobacco spirits obtained by distilling grapes, cement (proposed), etc., at rates specified in the third and fourth columns of the Fourth Schedule as stipulated in the Principal Act.

Subsequently, through Section 124(2), excise duty-specific rates shall be adjusted annually in accordance with the projected inflation rate. The objective of this measure is to restore the value of specific excise duty rates to be in line with the inflation rate and other key macroeconomic indicators.

### What is the problem?

Despite the provision of the law that excise duty rates shall be annually adjusted (indexed) in accordance with the projected inflation rate, in practice, the Minister of Finance has been postponing the requirement of the law to protect local manufacturers, importers, and final consumers from the potential price increase.

To ensure that the Minister of Finance waives the implementation of Section 124(2), manufacturers and importers have been lobbying in every fiscal year through their sectoral associations, which include the Confederation of Tanzania Industries (CTI), Tanzania Private Sector Foundation (IPSF), Tanzania CCIA, etc. Proposals not to index (adjust in accordance with inflation) excise duty rates have always been submitted by these advocacy groups to the Ministry of Finance and Planning for deliberations by the Taskforce on Tax Reforms (IFTs) and Parliamentary Budget Committee.

Non-indexation has therefore been at the will of the Minister of Finance and those who have been bestowed with the advisory role.

The feeling of not being certain what the Minister will decide or specifically what the excise duty rates payable will look like in the upcoming fiscal year has been associated with predictability challenges among investors and traders in the country.

#### Proposed amendments

The Finance Bill proposes to amend the Excise (Management and Tariff) Act, Cap. 147, through Section 124(2) by changing the adjustment period of specific excise duty rates from every year to every three years from the 2023/2024 financial year. Therefore, the next indexation will be done in the fiscal year 2026/2027.

The objective of the amendment is to ensure certainty and predictability of tax policies and to provide for a conducive business environment. However, this measure will only be enjoyed by manufacturers of beer, tobacco products, and non-petroleum products, except wines, spirits, and sugar confectioneries.

## ATE's Circular on the Vocational Education and Training Act Cap 82 amendments



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ATE/CIRC/05/2023

1st July 2023

Dear Employers,

# RE: ATE CIRCULAR ON THE AMENDMENT OF THE VOCATIONAL EDUCATION AND TRAINING ACT (CAP. 82)

The subject above refers.

The Association of Tanzania Employers (ATE) would like to inform all employers that the Finance Act, dated 30<sup>th</sup> June 2023 that was passed by the National Assembly on the 26<sup>th</sup> June 2023 has amended the Vocational, Education and Training Act (Cap. 82) as follows:

#### Reduction of Skills Development Levy (SDL) from 4 per centum to 3.5 per centum

Section 14 has been amended by reducing the Skills Development Levy rate from 4 per centum to 3.5 per centum.

#### Removal of the obligation to file SDL return

Section 16 has been amended to remove the obligation of filing returns from employers who are not required to pay the Skills Development levy.

#### Redistribution of SDL collection

Section 15 has been amended to provide the distribution of the skills development levy, whereby 1/3 of the levy shall be remitted to the Ministry responsible for employment, 1/3 to the Higher Education Students' Loans Board, and 1/3 to VETA. This amendment aims to enable the implementation of Work-Based Skills and Training Initiatives as well as to achieve the objectives of the Fund.

#### Grant of exemption power to the Minister of Finance and Planning

Section 19 has been amended to empower the Minister responsible for finance after consultation with the Minister responsible for Education to exempt payment of levy where the exemption is for the public interest.

ATE commends the Government and the Parliament of Tanzania for the amendments as these measures are not only pivotal in lowering the Private Sector's Wage Bill but also necessary in incentivizing Private Sector Employers to participate cost-effectively in Skills development and employment creation.

We hereby, call upon Employers to capitalize on these incentives and thus support the Government initiatives in promoting Skills Development.

#### Below are the new provisions:

#### Amendment of Section 14

The principal Act is amended in **Section 14** by deleting the words "four per centum" appearing in subsection (2) and substituting for them the words "3.5 per centum".

#### Amendment of Section 15

The principal Act is amended by repealing Section 15 and replacing it with the following:

- **15.** The Commissioner shall immediately after collecting the levy under section 14, submit-(a) one-third of the amount collected to the Ministry responsible for employment;
- (b) one-third of the amount collected to the Higher Education Students' Loans Board; and
- (c) one-third of the amount collected to the Vocational Education and Training Authority.".

#### Amendment of Section 16

The Principal Act is amended in **Section 16(1)** by inserting the words "save for an employer who is not required to pay levy" between the words "shall" and "file".

#### Amendment of Section 19

The principal Act is amended in Section 19 by adding immediately after subsection (2) the following:

"(3) Save as otherwise provided in subsection (1), the Minister responsible for finance may, in consultation with the Minister and by order published in the Gazette, exempt any person from paying levy: Provided that, such exemption is for public interest"

Kindly be advised.

Yours Sincerely,

ASSOCIATION OF TANZANIA EMPLOYERS

Ms. Suzanne Ndomba-Doran CHIEF EXECUTIVE OFFICER







# Common mistakes employers should avoid in disciplinary procedures

This Article is a continuation of the previous article from the Association of Tanzania Employers (ATE) May, 2023 edition e-Magazine and it focuses on addressing common mistakes made by employer when subjecting an employee (s) to disciplinary processes. The article continues to address these mistakes and how they can be avoided.

## viii. Suspending an employee indefinitely and/or without pay

The law in Tanzania requires the suspended employee to continue be paid his/her salary when on suspension. The rationale behind the practice is because the employer-employee relationship still subsists regardless of the fact that, the employee has been suspended. The law also, though does not prescribe for time frame for suspension, it requires the suspension period to reasonable one, and the suspension letter should state the start and end date of the suspension period. Failure to pay an employee who is on suspension and, or failure to specify the duration of suspension may attract the case of constructive termination and unfair labour practice

### NB:

Management may, in appropriate circumstances and with the consent of the employee, suspend an employee without pay for a maximum period of thirty (30) days as form of disciplinary action. The suspension should be accompanied by a final written warning, which runs from the time the employee recommences employment. Suspension without pay should only be used in serious offences which attracts termination of the employment but the employment relations has not irreparably broken down. This is per Item 5 (2) of the Employment and Labour Relations (Code of Good Practice) under item 4(9) "GUIDELINES FOR DSICIPLINARY, INCAPACITY AND INCOMPATIBILITY POLICY AND PROCEDURES",

Failure to issue the outcome of the disciplinary hearing within five working days

The Employment and Labour Relations (Code of Good Practice) under item 4(9) "GUIDELINES FOR DSICIPLINARY, INCAPACITY AND INCOMPATIBILITY POLICY AND PROCEDURES", obligates the chairperson of the hearing committee to issue the outcome of the hearing soon as possible but not later than five working days. The aforementioned provision provides as follows "The chairperson should inform the employee of the outcome of the hearing as soon as possible, but not later than five working days after the hearing, giving brief reasons for a decision. The chairperson should sign the copy of the disciplinary form and give a copy to the employee"

The legal implication behind the above cited provision of the law is that, an outcome issued out of five working days amounts to procedural irregularity capable of vitiating the whole disciplinary processes.

To be continued on the next e-magazine...

# EYA Notice No.1- Call to Participate on the EYA 2023





Plot No. 692, Mikocheni B Coca-Cola Road Tel: +255-22-2780022/23 P.O Box 2971, Dar es Salaam Email: info@ate.or.tz Website: www.atc.or.tz



Dear Valued Members,

9th June 2023

# EYA NOTICE NO. 1 – CALL TO PARTICIPATE ON EMPLOYER OF THE YEAR AWARD (EYA) 2023

The Association of Tanzania Employers (ATE) is pleased to inform members that Employer of the Year Award (EYA) for 2023 has been launched and call for participation is now opened to all ATE Members. The purpose of this exercise which is conducted by ATE annually since 2005 is to recognize and award the best Employers with best practices in Business and Human Resources Management, in compliance with the labour standards (Responsible Business Conducts).

Since its introduction, EYA event has helped to sensitize and promote Employers to improve their working environment by ensuring legal compliance and national standards for high productivity and competitiveness at the workplaces. It has also helped to promote decent businesses and harmony at workplaces.

EYA is reviewed from time to time and whenever necessary to reflect the current international best practices incorporating aspects that contribute to business & human resources for sustainable enterprises for competitiveness and improve productivity in order to do responsible business in Tanzania.

#### **AWARD CRITERIA 2023**

EYA 2023 will be based on the following 14 criteria:

- 1. Governance and Leadership
- 2. Human Resource Management Excellence
- 3. Managing Diversity and Inclusion
- 4. Talent Management and Development
- 5. Quality, Productivity and Innovation
- 6. Corporate Social Responsibility
- 7. Employees Engagement
- 8. Performance Management
- 9. Apprenticeship & Internship
- 10. Local Content
- 11. Gender Equality and Equity
- 12. Compliance with Regulatory Requirements

- 13. Managing during Crisis
- 14. Climate Change/Environmental Management

#### AWARD CATEGORIES

In order to give fair ground for the competition, and the fact that companies differ significantly depending on the sectors which they belong, Employers will be awarded based on the same standard criteria under the following categories: -

- 1. Overall Award
- 2. Public Sector Employer Award
- 3. Private Sector Employer Award
- 4. Locally Owned Employer Award
- 5. NGO Employer Award
- 6. Size Based Award
- 7. Local Content Award

#### **EYA ADMINISTRATION**

EYA Exercise has two parts as follows: -

- 1. The Survey exercise leading to winners is handled by the Independent Consultant, TanzConsult lead by Prof. BAT Kundi. Specifically, the Consultant will ensure EYA Questionnaire is available Online, Data collection and analysis, Verify the results and select the winners. After the Award event, the Consultant will present the entire process at the Feedback Breakfast Meeting, where he will take participants through on how the entire exercise went, why the winners won etc.
- 2. The Event management is handled by ATE Secretariat assisted by an Event Consultant, Ms. Sarah Reweta. Specifically, the Secretariat will inform members, follow up on filling the Questionnaires and liaise with the Consultants, resource mobilization and actual managing of the event pre, during and after. The celebration climax is scheduled to take place during the first week of December 2023, the actual date to be confirmed in due course.

Below is the summary of important KEY activities to members till the award Ceremony in December: -

No	ACTIVITIES	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1.	PLANNING PHASE	4 weeks							
2.	SURVEY WINDOW Data Collection		8 weeks						

3.	DATA ANALYSIS	2 weeks		
4.	VERIFICATION VISITS	12 weeks		
5.	REPORT WRITING & PRE-MEETINGS		2 weeks	
6.	EYA AWARD CEREMONY			1 day
7.	FINAL REPORT			1 week

#### NOTE

Members will be informed of what is expected of them under each KEY activity as mentioned above.

To participate, Members should visit ATE Website <u>www.ate.or.tz</u> and they will be directed to EYA Link <u>www.eya2023.co.tz</u>. **EYA Information Guideline** to assist Members on how to participate on EYA has been uploaded on the same Link. Deadline for filling in the Questionnaire is <u>31st July, 2023</u>. *Kindly note, this year there will be no Extension or grace period for filling in the Questionnaires* 

For more information please contact: ATE Head of Projects & Communications, Ms. Joyce Nangai-Ibengwe +255 784 702670 or email <a href="mailto:info@ate.or.tz">info@ate.or.tz</a> or <a href="mailto:nangai@ate.or.tz">nangai@ate.or.tz</a> or <a href="mailto:nangai@ate.or.tz">nangai@ate.or.tz</a> or <a href="mailto:nangai@ate.or.tz">nangai@ate.or.tz</a> or <a href="mailto:nangai@ate.or.tz">nangai@ate.or.tz</a> (0) 222772171, Email: <a href="mailto:info@tanzconsult.co.tz">info@tanzconsult.co.tz</a>, Located: University Road (Survey Area near Mlimani City), ESAURP Village, Linda House, First Floor.

I urge all members to actively participate on **EMPLOYER OF THE YEAR AWARD** in order to benchmark their company's performance as compared to others.

Thank you for your usual cooperation and support.

Yours Sincerely,

ASSOCIATION OF TANZANIA EMPLOYERS

Ms. Suzanne Ndomba-Doran CHIEF EXECUTIVE OFFICER