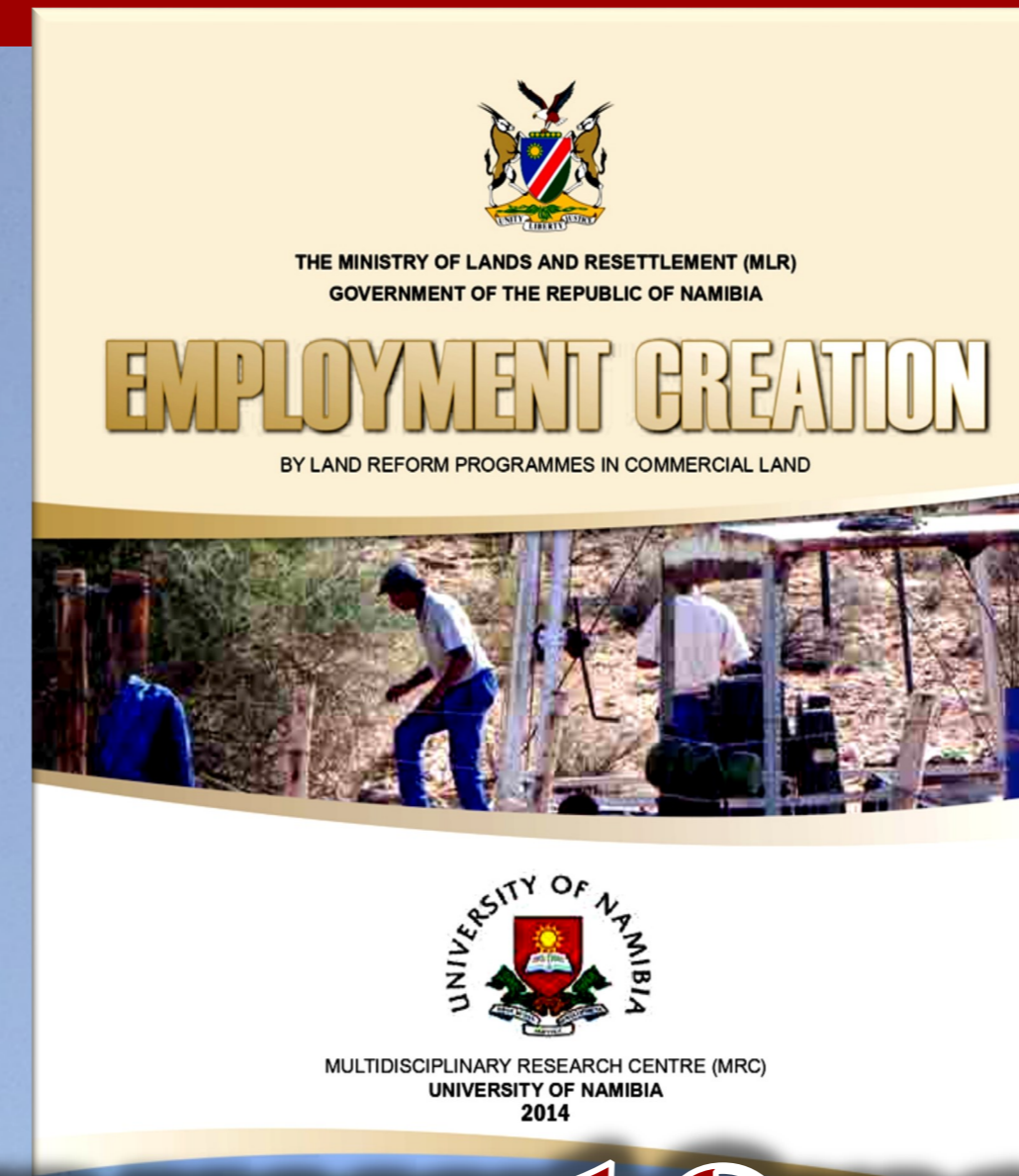


Republic of Namibia
Ministry of Agriculture, Water and Land Reform



University of Namibia

Employment Creation by Land Reform Programmes in Commercial Land

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Executive Summary

This study investigated the extent to which the Land Reform Programme has contributed to job creation in the commercial agricultural sector of Namibia. The objectives of the study were to provide a benchmark on the number of people employed under the AALS (Affirmative Action Loan Scheme) and NRP (National Resettlement Programme); identify alternatives that could be employed to complement the on-going efforts of job creation through Land Reform Programmes; serve as an evaluation tool for assessing progress towards the achievement of the NDP4 goals of employment creation and increased income equality and; to serve as a mechanism for providing policy makers with evidence for decision-making. The study targeted the 8 regions of Namibia with commercial farms, focusing on AALS and NRP farmers and farm workers. The results of the study show that despite a seemingly strong wish from farmers to do more to increase farm employment creation, there has been a decline in employment creation under the Land Reform Programmes. This study shows that on average, AALS farmers created more employment compared to their NRP counterparts. The AALS farmers recruited an average of 4 employees per farm, as 36 AALS farms had a total of 137 employees, whilst a total of 224 employees were recruited on 122 NRP farms which produced an average of only 2 employees per farm. On that note, AALS farms poses an advantage over their NRP counterparts in employment creation because AALS farmers acquire the entire farm while the majority of NRP farmers are allotted farm portions. Also most of AALS farmers are resource endowed than their NRP counterparts. The assertion is made on the basis that despite the difficulties faced by farmers at inception they were able to recruit a better number of farm workers even if these have decreased over time. Furthermore, when one compares the level of employment among emerging AALS commercial farmers (4 per farm) to those of experienced white commercial farmers (7 per farm), the Land Reform Programmes are commendable for their efforts toward creating jobs in a short period of time. Although the NRP and AALS have not proven to completely address the job losses experienced during the acquisition of land for resettlement or waiving for AALS candidates, some previous workers have been taken up by the Land Reform Programmes, either in the form of employment or resettlement, though actual figures are not available. The AALS and NRP farmers however are faced with various challenges that impact negatively on their employment creation potential and therefore Agribank and the Ministry's Regional Offices should seek regular consultative platforms with farmers and identify the needs of the farmers in order to enhance employment creation.

1. Introduction

The research study by the Ministry of Lands and Resettlement (MLR) by then in collaboration with the Multidisciplinary Research Centre (MRC) of the University of Namibia (UNAM) on 'employment creation by Land Reform Programmes in commercial land in Namibia' can be appreciated more when placed in the historical context of the impact of colonial control and oppression and the armed liberation struggle on Namibians which the land programme in post-colonial Namibia aims to address. During both the German (1885-1915) and South African colonial period (1915-1990), the colonialists either physically removed Namibians from their land or introduced colonial laws and punitive measures that denied Namibians' control and access to their local resources. Such colonial land dispossession and the deprivation of control over local resources created great social and economic hardships for families who were eventually forced into a colonial cash economy as labourers. Namibians worked either as contracted or non-contracted labourers but suffered the same exploitative working conditions. The colonial economy fell short of the expectations of labourers as it could not address their social and economic hardships. Instead, labourers felt trapped by the colonial economy as wages were low and the living and working conditions were extremely poor. Labourers began to mobilize politically and further mobilized their communities against colonialism while some joined the People's Liberation Army of Namibia as combatants.

There is, however, a link between the loss of land or access to resources and the contract labour system. The need to address their socio-economic plight which resulted from colonial control over land resources compelled many men to engage into the contract labour system but the failure of the contract labour system to address their social and economic hardship eventually compelled contract labourers and their families to join the armed liberation struggle. The armed struggle aimed to bring about independence and create an enabling political environment where the social and economic plight of Namibians would be addressed and for this reason the Land Reform Programme was implemented. The hope is that the Land Reform Programme will contribute towards employment creation for the majority of the rural poor and subsequently contribute towards poverty reduction. The idea that land reform should contribute to employment and poverty reduction is shared by neighboring countries. It is therefore fitting to review what lessons Namibia can learn on land reform and employment creation from some of our neighboring countries, such as South Africa.

3. Methodology of the study

Both quantitative and qualitative research methods were employed by this study. A desktop review was used prior to and during the study, which gathered existing data on farming units visited during fieldwork. The questionnaire survey was the primary method of gathering information that helped to achieve the objectives of the study. The survey only focused on the Land Reform Programmes in commercial areas on those beneficiaries resettled on individual farming units, excluding Group Resettlement Projects.

Qualitative interviews were carried out with regional staff to garner their views on success stories, opportunities and challenges of employment creation, but this constituted only a small portion of the survey. It was assumed that there were some farmers who had achieved great success but might not be part of the sample, and such cases were not ignored. Therefore, small interviews with some of them provided their intra-personal views of the impact of the Land Reform Programmes. The field work data collection period began in September 2013 and ended by the beginning of October 2013.

A stratified random sampling technique was selected as best suited for this study and the sample size had a predetermined sample size of 50 farms for the AALS and 150 allotment units for individual resettlement of the NRP. Both the AALS and NRP farm lists were stratified by regions and from the 16 sub-groups, a predetermined number of farms visited were selected by means of systematic sampling. However, the success rate for the farm owners' interviews were 36 (72%) of 50 intended interviews for AALS farms and 122 (81%) of 150 intended interviews for the NRP farms.



Figure 1: A field staff of MLR interviewing a farm worker at Farm Onjosa

Training and Skills received by Farm Workers

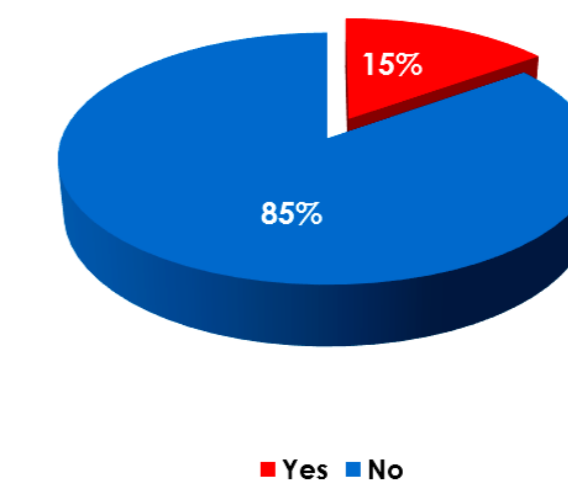


Figure 3: Training status of farm workers

A majority of farm employees (85%) from both the AALS and NRP have not yet received or attended training programmes in their current employment (Fig.3). However, among the few that received training, training was mainly on animal husbandry, animal health and disease control and farm infrastructure management. Very few received training on rangeland management, crop production and financial management. The Ministry of Agriculture, Water and Forestry and the Farmers' Union emerged to be the main training providers. The NRP employees received training from their employer, Ministry and NGOs', while AALS employees received training from their employer and Agribank. Fellow farm employees were also classified as contributors to skills development.

Levels of Employment Creation among Farmers

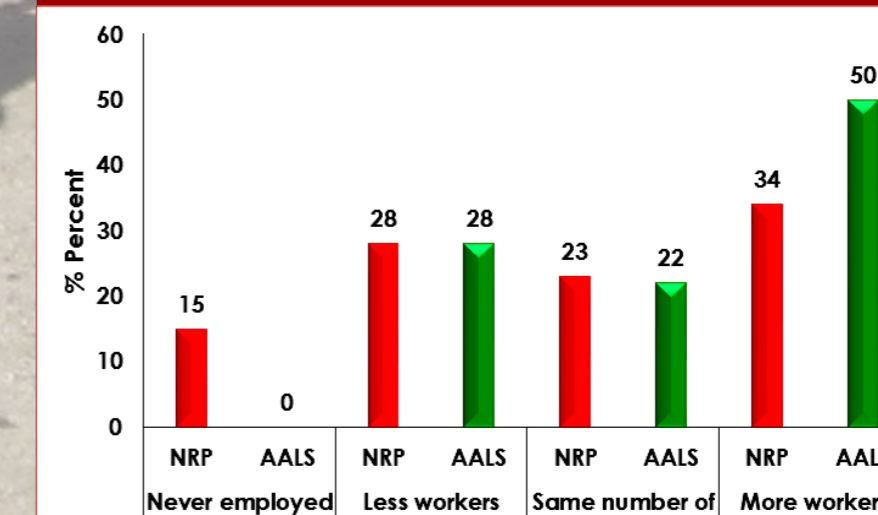


Figure 4: Employment status among farmers

The AALS farmers employed more workers (50%) now as compared to when they started farming, while only 34% of NRP farmers could do the same. In addition, some of the AALS and NRP farmers employed fewer workers now (28%) compared to when they started (Fig.4). The study notes that, financial constraints, low productivity, lack of a full-time presence, and absence of a lease agreement were reasons given by NRP farmers for not recruiting any employees on their farms. However, those currently recruiting few workers highlighted several reasons, such as: high staff turnover (41%), financial constraints (28%), low farm productivity (16%), and less workload (5%).

4. Results and Discussion

Demographic Information of Farm Workers

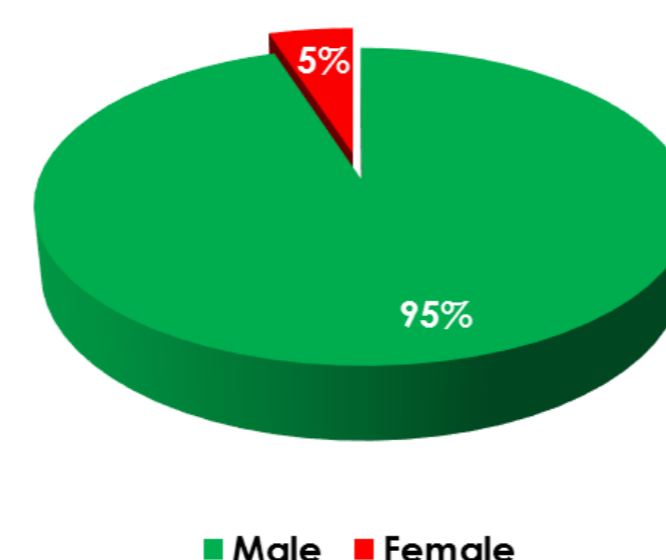


Figure 2: Gender distribution of farm workers

According to the Namibia Labour Force Survey of 2018, Namibia's agricultural sector is the largest employer, with agriculture, forestry, and fishing accounting for about 167,242 individuals (90,076 male and 77,166 female), accounting for 23.0 percent of the employed persons. A total of 169 farm workers were interviewed, of which 39 workers were employed under the AALS and 130 workers from the NRP. Figure 2 shows that majority of farm employees (95%) from both the AALS and NRP are males with only females accounting for the remaining 5%. The study results, however, clearly show that the Namibian agriculture and farming industry is still highly male-dominated.

5. Conclusion and Recommendations

While there is a decline in the current employment creation for both AALS and NRP farming when compared to the findings of the Poverty Impact Assessment study Report of 2010, there is a strong wish for both AALS and NRP to want to increase employment on their farms given the much needed support in land reform. Both AALS and NRP farmers are faced with challenges that negatively impact employment creation, such as educational and income levels. The different backgrounds of AALS and NRP farmers in terms of educational and income levels suggest that AALS farmers bring to farming more prior knowledge and monetary investment as compared to NRP farmers, all of which impacts differently on farm productivity and job creation. Little capacity building is observed in all programmes, as only a few workers received training. Hence, skills development and capacity building are essential for farming as they lead to effective and efficient farming.

This study hereby provides possible recommendations as a way forward:

- ⇒ The Ministry should incentivize highly productive NRP farmers in the form of graduating to AALS to avoid farming limitations.
- ⇒ Allotment units for NRP farms should be revisited to allow for higher productivity, which will in turn improve job creation within the agricultural sector.
- ⇒ Strengthened capacity building and awareness-raising is needed by organizing more training for farm workers and owners, designing relevant agricultural short courses and training that includes value addition.
- ⇒ The periodical monitoring of the carrying capacity of farms must be upheld to curb any negative effects on the farm and promote sustainable management of land and natural resources.
- ⇒ There is a need for an in-depth study aiming to understand the future of farm workers in terms of wealth accumulation and improvement of livelihood through farm employment.

2. Aim and Objectives of the study

This study investigated the impact of the Land Reform Programmes on job creation in the agricultural sector of Namibia.

The specific objectives are as follow:

- ⇒ To determine the extent to which the Land Reform Programmes contributed towards job creation in rural areas.
- ⇒ To provide a benchmark of the number of people employed under the AALS and NRP programmes.
- ⇒ To identify alternatives that could be employed to complement the on-going efforts of job creation through Land Reform Programmes.
- ⇒ To serve as an evaluation tool for assessing progress towards the achievement of NDP4's goals of employment creation and increased income equality.
- ⇒ To serve as a mechanism for providing policy-makers with evidence or decision-making.