



# NATIONAL ASSOCIATION OF DAIRY FARMERS

# MARCH 5 - 2011

Dear Member, Stakeholder and Supplier,

People telephoning the Union using 309800 have been experiencing problems getting through at the moment. We have found that it is far better for people to use 309811/20 and they should find they will get through much easier.

Farmers are reminded that Regional Meetings are as follows :

- Mutare** : Tuesday 29<sup>th</sup> March 2011 Mutare Club at 10.00a.m.
- Chipinge** : Monday 28<sup>th</sup> March 2011 at 10.00a.m. and the venue is likely to be the Polo Cross Club but this will be confirmed. Should you have any queries, please contact the Regional Chairlady, Mrs Elaine Leach
- Mash A** : Wednesday 23<sup>rd</sup> March 2011 at CFU Harare – NADF Committee Room at 9.30a.m.
- Mash B** : Wednesday 6<sup>th</sup> April 2011 Beatrice Club at 10.00a.m.
- Midlands** : Wednesday 30<sup>th</sup> March 2011 – CFU Offices Gweru at 10.00a.m.
- Matabeleland** : Thursday 31<sup>st</sup> March 2011 Members Pavilion – ZTIF Showgrounds at 9.00am for 9.30a.m.

I confirm that I will be attending the Chipinge, Mutare, Gweru and Bulawayo meetings together with Rob Van Vuuren and Dr Rachel Stewart. We rely on Regional Chairmen to keep us advised of topics to be discussed at these meetings, so if you have any concerns that you would like addressed, please speak to your Regional Chairman.

We look forward to well attended meetings and sharing information to help members to become more viable.

Milborrow advise that they have only just had their new telephone numbers connected, and ask you to record them. They are all [04]: 663 226, 663 232, 667 454, 667 460 and the Fax is 666 885.

Their e-mail address remains the same i.e. [gg@milborrow.co.zw](mailto:gg@milborrow.co.zw).

Their new physical address is:

33 Craster Road, [cnr. Manchester Road]  
Southerton,  
Harare

## ZESA TARIFF UPDATE - (from the desk of Marc Carrie-Wilson

I have interrupted the series of articles on EMA, ZINWA etc which will resume next week to give you a brief update on the proposed increase in ZESA tariffs.

A meeting was held at the Ministry of Energy and Power Development to consult a few “stakeholders” on their position as regards the proposed tariff increase for electricity. The new tariffs were given to the delegates. I have tabulated the proposed increase in Agricultural Tariffs below:

	Agricultural Customers					
	Low Voltage E5.1		11 kV Supply E5.2.11		33kV Supply E5.2.33	
	CURRENT TARIFF	NEW TARIFF	CURRENT TARIFF	NEW TARIFF	CURRENT TARIFF	NEW TARIFF
a) Fixed Monthly Charge	\$31.99	\$48.77	\$88.14	\$134.39	\$88.14	\$134.39
b) A monthly Capacity charge per unit of demand	n/a	n/a	\$4.88	\$7.44	\$3.58	\$5.46
c) An uninterruptable demand charge	n/a	n/a	n/a	n/a	n/a	n/a
d) On peak energy charge per Kwh	\$0.08	\$0.12	\$0.08	\$0.13	\$0.08	\$0.13
e) Standard energy charge per Kwh	\$0.08	\$0.12	\$0.04	\$0.06	\$0.04	\$0.06
f) Off peak energy charge per Kwh	\$0.08	\$0.12	\$0.03	\$0.04	\$0.03	\$0.04

The effective cost of electricity in Zimbabwe under this NEW tariff regime will be 9.83 USc/Kilo Watt hour WHICH MAKES OUR COUNTRY AN EVEN LESS COMPETITIVE BUSINESS ENVIRONMENT.

The following representations were made to the Ministry and ZESA

### **Agriculture**

The viability of the production of many agricultural commodities is already very marginal. The electricity tariffs combined with the relatively unreliable and erratic supply noted in farming areas has already been a key component in the destruction of the viability of Zimbabwe's winter cropping programme; affecting mainly wheat and barley. Indeed local buyers of these commodities are already looking to competitors in the regional markets such as Zambia to meet demand.

Therefore, a tariff hike could only be sustained if:

- a) It was a modest increase; and
- b) It was to be accompanied by the immediate and absolute improvement in the reliability of electricity supply

### **Consumer Skepticism**

A further point to note is the need to address public perception of any increased tariff. It is our contention that members of the public remain unconvinced that this tariff hike is truly necessary. Conversely, the perception is that this increase is precipitated merely by the inefficiency and poor management of the power utility in two key areas:

- 1) Consistent errors in a seemingly complex billing process leading to a reduction in the credibility of ZETDC in the eyes of consumers and potential legal disputes.
- 2) An inability to effectively collect payments for electricity consumed; meaning that only a few customers carry the full cost of electricity while other consumers enjoy electricity for free.

The question is if ZESA did not have a monopoly on the generation administration, maintenance and distribution of electricity would it still be necessary to increase electricity tariffs? Our contention is that the general public will be unconvinced that this would be so.

It is therefore imperative that ZESA do much more to convince the public of the need for a tariff increase; in the first instance by increasing its overall transparency and accountability. ZESA must genuinely engage the people of Zimbabwe as partners in solving the electricity problem.

The Ministry noted these concerns and promised to do more in the Agricultural sector.

It was highlighted that power saving measures could save the country as much as 300 Mega Watts. To this end restrictive measures on the sale of incandescent bulbs (i.e. not energy savers) were proposed by some of the delegates. The secretary of the Ministry of energy and Power development proposed that we email him a list of the types of incandescent bulbs used in Agricultural Production so that these may be excluded from any restrictive measures.

I know it is a strange request but, please may members assist me by send me a list (to marc@cfuzim.org) of the exact type of incandescent bulbs used in any area of Agricultural production. Please also detail what the bulb in question is used for e.g. chickens, pigs etc.

## **LABOUR UPDATE** - (from the desk of Marc Carrie-Wilson)

We have no doubt that many of our members are experiencing pressure from the NEC to remit dues to them. This article is intended to update members on this issue.

To recap SI 101 of 2010 published in June 2010 sets out a purported Collective Bargaining Agreement (“CBA”) which was concluded in February 2009. It sets the dues payable to NEC as 1 USD deducted from each employee matched by a further 1 USD paid by the employer for each employee.

In terms of the Labour Act a CBA becomes binding when it is registered and published as a SI by the Registrar of Labour, so in this case this was in June 2010. The Act further provides that it is a criminal offence to not abide by the terms of a legally binding CBA.

However, acting on direction from the ALB we have advised all members to keep these dues aside until the conclusion of a legal challenge instituted in the Labour Court. The reasons for this are that there are allegations which have come to our attention of very gross breaches of the financial and other provisions of the NEC Constitution by the NEC and its secretariat as follows:

- The NEC has not produced an audited set of accounts for the past five years. (This is in violation of Article 24(2) of its Constitution).
- The NEC has regularly not had an annual budget ratified by the full Council, or if so, not all the Councillors were invited to attend the meeting where such ratification took place, nor have they had sight of such budget. (This is in violation of Article 22(2) of the NEC Constitution).
- The NEC has not recorded proper and accurate minutes of all the meetings of the council or the Collective Bargaining Processes. (Contravening Article 19 of the NEC Constitution).
- No proper notice of meetings of the NEC is sent to all NEC Councillors. (See Article 16 (4) of the NEC Constitution).
- CBAs concluded at subcommittee level are not ratified by the full Council of the NEC before being forwarded to the Ministry of Labour for Registration. (See Article 13(1) of the NEC Constitution).
- NEC Councillors are being paid extravagant meeting allowances of approximately USD 200 for every meeting they attend. This is more than the salary of many Civil Servants.

It has also been reported that requests to view the audited accounts have not been entertained. Thus we can only assume that there is substantial validity in these allegations. How can any reasonable person continue to remit funds to the NEC when its fundamental structures of governance and financial accountability have seemingly collapsed? Instead we advise that these dues be held aside by members until these issues are settled by the Labour Court. If on the other hand the NEC is able to show you the authentic and duly audited accounts for the past 5 years, which accord with proper budgets made in terms of the NEC Constitution, then you are encouraged to remit your dues to the NEC without delay. The NEC's only remedy which it will pursue is to make a complaint of a criminal offence against members who to the ZRP in order to institute Criminal Proceedings. However this matter is already before the Labour Court and it would be advisable for the Labour Court (which has the status of the High Court) to make its determination on this matter before a Magistrates Court consider the criminal case. We would ask any member presented with this challenge to contact our offices (Tongai or Marc) for advice on this point.

Rumours of NEC personal seizing the property of certain members are extremely alarming if these are true. To be clear, no one has a right to seize property in recovery of an alleged debt unless they have obtained an order from a court in their favour and the seizure is presided over by a court official. Such activity should be reported to the Police.

Other developments are that the CBA setting the General Agricultural Wage at USD44 per month, back dated to September 2009, has finally been Gazetted as a Statutory Instrument in the form of SI 25 of 2011. Once again our representative body in these negotiations has informed us that they were not party to this Agreement notwithstanding the fact that they are named as a party in the Agreement. They have informed us that they will be exploring the possibility of a legal challenge against this and we will keep you informed accordingly. The publication of this Agreement as a Statutory Instrument is confusing because of the presumption against the retroactive application of legislation. Therefore it is submitted that the SI does not oblige employers to make back payments. It is absurd to think that any legitimate employer would willingly agree to pay 7 months or more back pay in the current multi currency economy. This seriously undermines the viability of business.

**FEED PRICES**

PRICES ARE IN US\$	Agrifoods	Croplink	Ice Feeds	Surface Investments	Olivine Harare	United Refineries Bulawayo
Cotton Cake		\$220	\$220	-		-
Cotton Seed Meal		\$410	\$390	\$390/t -3000t for March & April 2011	\$410 when available	38% protein 365 & 28% protein \$280
Whole Cotton		\$220	-	-		
Cotton Hulls		-	\$30	\$30/t – unlimited	\$30/t and is available	60
Soya Bean Meal		\$740	\$950	\$800/t – 1600t	\$680 when available	Out of stock
Wheat Bran		\$155	\$160	-		-
Maize Bran		\$155	\$160	-		-
Coarse Salt		\$70	\$170	-		-
Sunflower Meal		\$220	\$180	-		-
Molasses		-	\$130	-		-
<b>NOTES</b>						

**LIVESTOCK INFORMATION**

We have in stock and available at our offices at present :

**Animal Foods of Central Africa Technical Handbook @ US\$10,00 each**

**Stock Registers @ US\$5,00 each**

**Dairy Milk Records of Individual Cows for One Month Register @ US\$5,00 each**

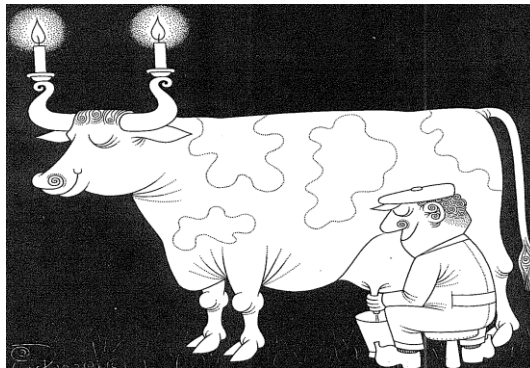
**Recommended Guide to Good Dairy Farming Practices @ \$2.00 each**

**Dairy Handbooks @ US\$40,00 each**

**Cattle Producers’ Association Beef Production Manual @ US\$40,00 each**

**Go Green Mastitis Mint @ \$10.00 per bottle**

Should you be interested in purchasing any of the above items, please call at Commercial Farmers Union, Agriculture House and see Debbie Mylroie.



**ARE YOU COPING WITH ZESA OUTAGES?**

Yours faithfully

**A KIRK**

**CHAIRMAN**

**NATIONAL ASSOCIATION OF DAIRY FARMERS**

