

Hotel Workers in Africa

This booklet was edited by Herbert Jauch from the
Labour Resource and Research Institute (LaRRI)



This document was edited by Herbert Jauch for
Labour Resource and Research Institute (LARRI)

Project co-ordinator: Thulani Guliwe

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ISBN No: 1-875043-67-5

September 2007

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ACKNOWLEDGEMENTS

In 2005, the African Labour Research Network (ALRN) carried out research into the operations of some multinational hotel chains in Africa. The research reports form the basis of this booklet, which was compiled by Herbert Jauch from the Labour Resource and Research Institute (LaRRI) in Namibia.

This publication forms part of the African Social Observatory (ASO) project, which is co-ordinated by the National Labour & Economic Development Institute (NALEDI) on behalf of the ALRN. The Finnish Trade Union Solidarity Centre (SASK) and the Netherlands Trade Union Federation (FNV Mondiaal) financially support the project. We wish to thank them for rendering ongoing support for the ASO project.

ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
ALRN	African Labour Research Network
ARVs	Anti Retroviral Drugs
ASO	African Social Observatory
FNV	Netherlands Trade Union Federation
GDP	Gross Domestic Product
HCAWUZ	Hotel and Catering and Allied Workers Union of Zambia
HIV	Human Immunodeficiency Virus
HTA	Hospitality Training Academy (Zimbabwe)
ICU	Industrial and Commercial Workers Union (Ghana)
ILO	International Labour Organisation
JSE	Johannesburg Stock Exchange
LaRRI	Labour Resource and Research Institute (Namibia)
LBO	Leveraged Buy-Out
LEDRIZ	Labour and Economic Development Research Institute of Zimbabwe
NAFAU	Namibia Food and Allied Workers Union
NALEDI	National Labour and Economic Development Institute (South Africa)
NEC	National Employment Council (Zimbabwe)
NGO	Non Governmental Organisation
N\$	Namibia Dollar
PPT	Pro-Poor Tourism
SAB	South African Breweries
SACCAWU	South African Commercial, Catering and Allied Workers Union
SACU	Southern African Customs Union
SASK	Trade Union Solidarity Centre of Finland
SBU	Strategic Business Unit
US\$	US Dollar
WTTC	World Travel and Tourism Council
ZCHWU	Zimbabwe Catering and Hotel Workers Union
ZimSun	Zimbabwe Sun



INTRODUCTION: THE POTENTIAL OF TOURISM

Travel and tourism has become a huge global industry, accounting for some 10% of the world's GDP and about 214 million jobs worldwide. The number of travellers and the amount of money spent has increased consistently due to rising standards of living in industrialised countries, declining travel costs and strong consumer demand for "exotic" international travel. Tourism is an important sector for most developing countries as it brings foreign exchange earnings, creates employment and facilitates investment. Critics of tourism point out that tourism may create foreign dependency as it often relies on factors outside the host country's control. Inappropriate tourism can also lead to "social pollution", for example when local communities lose access to water and communal land.

In recent years, Pro-Poor Tourism (PPT) and Social Tourism initiatives have emerged with the aim of increasing the benefits from tourism for the poor by doing business differently. The traditional mass tourism changes the natural, cultural and social environment and is based on package tours offered by tour operators in the tourists' home countries. This practice minimises money transfers and economic benefits for the host countries. Instead, such tourism can devastate the environment and local cultures as has happened in several popular tourist destinations. Alternative, sustainable forms of tourism thus present a great opportunity for developing countries as they seek to maximise economic benefits for local communities while protecting their environmental, cultural and social heritage. Such alternative tourism is labour-intensive and actively involves local communities based on their culture and natural assets. It fits into existing livelihood strategies and represents an additional diversification to current activities without replacing them altogether.



Africa's travel and tourism industry creates different types of jobs due to:

- ▶ Direct employment (from visitors' expenditure)
- ▶ Indirect employment
- ▶ Induced employment (resulting from the multiplier effects of tourism)

Currently, travel and tourism accounts for 4-10% of formal sector jobs in Africa with the leading countries being Kenya and Namibia. South Africa also experienced a tourism boom and more than 1,2 million people are now employed in the sector (see table 1). Likewise, the contribution of tourism to GDP and export earnings is significant as shown in table 2.

Table 1: Employment creation by tourism

EMPLOYMENT in 2004 – sample of countries					
Country	Total Labour Force	Direct Employment in Travel & Tourism		Direct in Travel & Tourism & associated jobs ¹	
	100%		%		%
Angola	3,671,000	51,000 (**)	1,4	nd	-
Kenya	5,512,000	226,000	4.1	518,000	9.4
Lesotho	529,000	9,000	1.7	27,000	5.2
Namibia	408,000	20,000	4.9	39,100	9.6
Senegal	2,478,000	57,000	2.3	151,000	6.1
South Africa	17,966,000	539,000	3.0	1,221,000	6.8
Tanzania	8,870,000	275,000	3.1	612,000	6.9
Zambia	1,473,000	28,000	1.9	70,000	4.8
Zimbabwe	1,055,000	19,000	1.8	41,000	3.9

Source: WTTC 2005, quoted in David and Freire

Table 2: Contribution of tourism to GDP and export earnings

No	Countries to GDP 2005 (%)	Contribution of tourism	% of export earning in 2005
1	Kenya	12.2	21.4%
2	Lesotho	7.5	8.7
3	Namibia	11.2	19.7
4	Senegal	8.0	17.7
5	S. Africa	7.1	12.5
6	Zambia	4.5	10.0
7	Zimbabwe	3.3	5.0

Source: WTTC 2005, quoted in David and Freire.

Various studies have demonstrated and concluded that the tourist sector could certainly contribute to poverty reduction. This could be achieved through:

- ▶ Improved access of the poor to the tourist market.
- ▶ Markets that have relevant economies of scale to ensure that earnings and other benefits to the poor are realized. Successful strategies require support of the established institutions such the local business community and politicians.
- ▶ Commercial viability of products.
- ▶ An appropriate policy framework that includes land tenure, regulatory environment, planning process, government attitude and capacity.
- ▶ Mechanisms, which give communities land tenure, can enable the community to secure a community income for the development of community assets or for household distribution.

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TOURISM CAN CONTRIBUTE SIGNIFICANTLY TO THE
LOCAL ECONOMY AND THUS MAY CONTRIBUTE TO
POVERTY REDUCTION

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Successful of pro-poor – tourism strategies are dependent on whether the local communities are able to attract sufficient levels of tourists so as to ensure the viability of new enterprises. The changes necessary to enable the poor to engage successfully in tourism often require a coordinated approach with the government playing a significant role in determining the regulatory framework (licensing hotel development, guides, food sellers and other traders). Governments can facilitate infrastructure development and it exercises planning controls. Government can promote engagement of the poor in tourism particularly when it is negotiating concessions, locating and constructing craft markets and planning tourism development. It can further assist by including poor producers in its marketing initiatives. Pro-poor tourism cannot thrive if national or local government does not support it.

Infrastructure development can also be planned to benefit local communities through the provision of roads, telephones, piped and treated water supplies, waste disposal and recycling and sewage treatment.

Achieving sustainable tourism requires that several objectives to be met:

- ▶ The natural historical, cultural and other resources must be conserved for continuous use in the future, while still bringing benefits to the present society;
- ▶ Tourism development must be planned and managed so that it does not

generate serious environmental or socio-cultural problems in the tourism area;

- ▶ The overall environmental quality of tourism areas must be maintained and improved where needed;
- ▶ A high level of tourism satisfaction must be maintained so that tourist destinations will retain their marketability and popularity; and
- ▶ The benefits of tourism must be widely spread.

Tourists are often asked to "leave only footprints" in order to minimize adverse environmental effects. However, the greater challenge is to find ways of leaving a larger economic impact on the local economy by increasing international and local tourists' spending there. **Tourism can contribute significantly to the local economy and thus may contribute to poverty reduction through:**

- ▶ Wages from formal employment;
- ▶ Earning from selling goods, service or casual labour;
- ▶ Dividends and profits arising from locally owned enterprises;
- ▶ Collective income which may include profits from a community run enterprise, land rental, dividends from a joint venture or levies – these incomes can provide significant development capital and provide finance for corn-grinding mills, a clinic, teachers housing and school books; and
- ▶ Infrastructure gains, for example roads, piped water, electricity and communications.

Studies show that workers in the tourism sector can earn US\$ 1 000 to US\$ 4 000 per year. In some cases such earnings are sufficient to bring the core group of earners and their families above the poverty line. For example, at two Wilderness Safaris lodges in South Africa, each employee earns twice the average income of a rural homestead in the area. Furthermore, virtually all the case studies found that workers would not otherwise be employed because there are few other viable economic activities in the areas studied.

Positive impact

Since tourism is driven by the private sector, the interests of poor are often overlooked. Growth in the tourism sector does not necessarily result in poverty reduction. **However, tourism has a potential for achieving pro-poor growth because:**

- a) Tourism delivers consumers to the product rather than the other way round. This opens up huge opportunities for local access to markets for other goods and services. Development strategies can enhance potential links to local enterprises and poor producers;

- b) Tourism does not face tariff barriers, although taxes on air travel can have a similar effect;
- c) Tourism has considerable potential for linkage with other economic sectors – particularly agriculture and fisheries. Realizing these linkages will increase the proportion of tourism revenue retained in the host country;
- d) There is a possibility of other types of linkages, for example demand for tourism may add sufficiently to another sector's demand for example the local provision of goods or services such as transport;
- e) Tourism provides opportunities for off-farm diversification. Tourism is often attracted to remote areas with few other development options because of their high cultural, wildlife and landscape values;
- f) Tourism provides relatively labour-intensive opportunities. It is more intensive than manufacturing and non-agricultural production, although less labour-intensive than agriculture.
- g) Tourism can provide poor countries with a significant export opportunity where few other industries are viable.
- h) Tourism products can be built on natural resources and culture, which are assets that some of the poor have;
- i) The infrastructure associated with tourism development (roads, electricity, communications, piped water) can provide essential services for rural communities which would otherwise be excluded from such infrastructure;



Negative impact

The experiences with tourism to date have shown that the industry can also have a negative impact because:

- a) Foreign private interests drive tourism and it is thus difficult to maximize local economic benefits. However, many small enterprises and individual traders sustain themselves around hotels and other tourism facilities and that these SMEs are not foreign owned. There is often confusion about levels of foreign ownership; local ownership is often masked by franchise agreements and management contracts.

- b) Tourism can impose substantial non-economic costs on the poor through loss of access to resources (particularly beaches), displacement from agricultural land and social and cultural disruption and exploitation: The losses can be substantial for the poor and minimizing them is critical.
- c) Tourism is vulnerable to changes in economic conditions in the originating markets, which cause major swing in the levels of tourism. The number of international visitors is also affected by civil unrest, crime, political instability and natural disaster in the destination:

Developing partnerships

National and local governments, private enterprises, industry associations, NGOs, community organisations, consumers, and donors all have a role to play in developing sustainable, pro-poor tourism. It is particularly important to engage businesses, and to ensure that initiatives are commercially realistic and integrated into mainstream operations. Inevitably private operators will be unable to devote substantial time and resources to develop pro-poor actions. NGOs and community-based organisations can help to reduce the transaction costs for changing commercial practice – for example, facilitating the training, organisation, and communication that would enable businesses to use more local suppliers.

Changing the attitudes of tourists (at both international and national levels) is also essential if the pro-poor tourism is to be commercially viable and sustainable. Specific actions could include working with the tourism industry to integrate pro-poor approaches into voluntary codes and certification systems, and educating tourists on socio-economic issues. Valuable lessons can be learned from the environmental campaigns. However, it is likely to be more difficult to raise interest among industry and consumers in poverty issues, than in environmental issues.

The significance of tourism for development and poverty alleviation in Africa will to a large extent depend on the kind of tourism promoted. As indicated in table 3, tourism is expected to grow substantially in the years to come. Provided that this can be utilised in a sustainable way and linked to improved livelihoods through a diversification of economic activities within local communities, tourism is certainly a sector of importance.



TOURISM IS AN IMPORTANT SECTOR FOR MOST DEVELOPING COUNTRIES AS IT BRINGS FOREIGN EXCHANGE EARNINGS, CREATES EMPLOYMENT AND FACILITATES INVESTMENT



Table 3: Sub-Saharan African estimates and forecasts

Sub-Saharan	2005			2015		
	US\$ billion	% of Total	Growth (%)	US\$ billion	% of Total	Growth (%)
Personal Travel and Tourism	22.6	5.8	7.4	46.0	6.5	5.9
Business Travel	10.7	--	8.6	19.1	--	5.0
Government Expenditures	1.6	1.5	4.6	2.8	1.6	4.3
Capital Investment	12.3	11.9	5.8	23.3	12.0	6.1
Visitors Exports	16.4	7.9	11.0	35.9	8.2	6.7
Other Exports	10.1		8.0	20.1	4.6	5.0
Travel & Tourism Demand	73.6	--	7.9	147.2	--	5.8
T&T Industry GDP	18.8	3.3	9.3	36.4	3.6	5.7
T&T Economy GDP	49.6	8.8	8.0	95.8	9.4	5.7
T&T Industry Employment	7,877.2	2.5	5.9	5,441.4	2.8	3.4
T&T Economy Employment	10,647.0	6.8	4.2	14,222.0	7.2	2.9

Source: WTTC 2005, quoted in David and Freire

¹ "Associated jobs" include airline caterers, laundry services, food suppliers, wholesalers, accounting firms, government agencies, manufacturing and construction of capital goods, exported goods used in travel & tourism and supplied commodities, including steel, lumber, oil products etc.

GLOBAL PLAYERS IN AFRICA'S HOSPITALITY SECTOR

Africa's tourism sector is shaped by a variety of (mostly private) players, ranging from large multinational companies to relatively small family ventures. Community-based tourism currently plays only a marginal role. This booklet focuses on some of the big players in the sector, namely Sun International (in Namibia and Zambia), the Holiday Inn Hotels (in South Africa and Zimbabwe) and the Cresta Hotels (in Ghana and Malawi).

In recent years, South African companies have embarked on an aggressive expansion drive into the rest of Africa. Retail chains like Shoprite Checkers now have outlets in most African countries and similar trends can be observed in the mining, hospitality, energy, banking and IT sector. This expansion was often facilitated by preferential trade agreements or by other arrangements such as the Southern African Customs Union (SACU). For several years, South African investments constituted the largest share of foreign investment in Africa, although China has now become the largest source of foreign investment.

The Sun International Limited Group describes itself as "Africa's most significant tourism, leisure and gambling group" with 14 resorts, luxury hotels and casinos in South Africa, Zambia, Botswana, Namibia, Lesotho and Swaziland. The group is listed on the London Stock Exchange (FTSE 100) and the JSE Securities Exchange South Africa as Sun International Limited. In its mission statement, the group states that it will create an environment in which all employees are well trained, motivated and take pride in working for the group. It promised that at all times it would remain mindful of its responsibility towards all of its stakeholders including the communities it serves.

The group employs over 8 300 people in Southern Africa and claims to have created 50 000 new employment opportunities in the broader tourism industry. Its investments in new tourism infrastructure over the past 30 years stand at SA Rand 10 billion. Sun International has become the dominant private investor in Southern Africa's tourism infrastructure and is the market leader in casino gaming in South Africa, accounting for 44% of the country's gaming revenues.



Sun International has a unitary board structure comprising a mix of two (2) executive and eleven (11) non-executive directors of whom ten (10) are considered independent. The board is authorized to form committees to assist in the execution of its duties, powers and authorities. It has three standing committees, namely the audit, remuneration and nomination, and group risk committees. In 2004 the board recommended the establishment of a fourth committee to evaluate and oversee, inter alia, the group's progress with black economic empowerment and employment equity.

The parent company in South Africa exercises control over the local management at its hotels and lodges in the region. The powers of local management are usually limited to running the day-to-day operations while decisions on investments and even wages and conditions of employment are taken by the parent company.

The Holiday Inn hotels operate on a franchise basis. The franchise is owned by the Intercontinental Hotel Group (IHG), which allows hotel operators to use its name under contract in return for an annual licence fee. In South Africa, the Holiday Inn is franchised to the Southern Sun Group, which is a large hospitality company. Southern Sun is a South African based hotel group with its head office in Johannesburg. It was formed in 1969 by South African Breweries (SAB) and Sol Kerzner and has over 33 years of experience in the business and leisure travel. The group has a collection of about 80 hotels with 13 125 rooms.

Since its inception, the company had undergone a number of changes. In 1983, SAB split its hotel interests into Southern Sun and Sun International, which saw Sol Kerzner leaving the former to head the latter.

The group's hotel brands have since developed to include the following:

- InterContinental Southern Sun Hotels
- Southern Sun Collection
- Crown Plaza
- Southern Sun Hotels and resorts
- Formulae 1
- Formulae Inn
- Holiday Inn
- Holiday Inn Garden Court
- Express by Holiday Inn
- Southern Sun Time Share Resorts

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THIS BOOKLET FOCUSES ON SOME OF THE BIG PLAYERS IN THE SECTOR, NAMELY SUN INTERNATIONAL (IN NAMIBIA AND ZAMBIA), THE HOLIDAY INN HOTELS (IN SOUTH AFRICA AND ZIMBABWE) AND THE CRESTA HOTELS (IN GHANA AND MALAWI)

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About 58% of the rooms used by Southern Sun are from the Holiday Inn brand. Southern Sun is the largest independent franchisee of Holiday Inn worldwide. In addition to South Africa, the Southern Sun group has invested in six African countries, namely Kenya, Zambia, Seychelles, Tanzania, Mozambique and Rwanda.

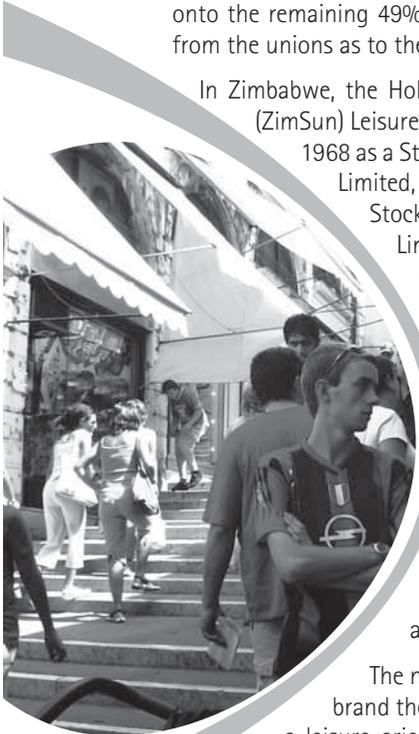
Until 2002 Southern Sun was wholly owned by SAB. Through one of the country's largest black empowerment deal in hotel and gaming industry Tsogo Sun Holdings became the largest shareholder of the group with 51% ownership and SAB holding onto the remaining 49%. However, there has been much speculation, particularly from the unions as to the true control and ownership of Tsogo Sun.

In Zimbabwe, the Holiday Inn brand has been licensed to the Zimbabwe Sun (ZimSun) Leisure Group. Its predecessor, ZimSun Limited was established in 1968 as a Strategic Business Unit (SBU) of the then Rhodesia Breweries Limited, a diversified conglomerate that was listed on the Rhodesia Stock Exchange. At independence in 1980, Rhodesia Breweries Limited became Delta Corporation. In 1990, Zimbabwe Sun Limited was listed on the Zimbabwe Stock Exchange (ZSE) as a separate and stand-alone corporate entity, which remained under the corporate wings of Delta Corporation in terms of ownership and control.

In January 2002, ZimSun Limited was unbundled by Delta Corporation who now wanted to focus on their core business of being a beverages company. In August 2002 a consortium of local businessmen led by Mr Shingirai Albert Munyeza, the founding and incumbent Chief Executive Officer took over control of ZimSun Limited in a management leveraged buy-out (LBO), by acquiring a 40 percent stake in the company.

The new management sought to strategically reposition and re-brand the company and they renamed it the ZimSun Leisure Group, a leisure orientated company managing a portfolio of hotels, casinos and resorts in the country's prime tourist destinations and major cities. The ZimSun Leisure Group corporate portfolio comprises three main divisions, namely: Sun Hotels, Sun Resorts and Sun Leisure. The Holiday Inn hotels fall under the Sun Hotels division. ZimSun is the only leisure company that has properties in every major tourist destination in Zimbabwe. Today, it consists of 13 hotels and resorts throughout the country and one in Mozambique and employs about 1500 people.

ZimSun also owns a 50 percent stake in the world-renowned Victoria Falls hotel, a member of the "Leading Hotels of the World". ZimSun offers luxury accommodation, courteous and friendly service, superb local and international cuisine and limitless entertainment, sports and leisure activities throughout Zimbabwe.



Cresta Royale is a multinational management consultancy company specialising in the hospitality industry, mainly in Africa. It is a subsidiary of the T.A. Holdings Ltd, which was established in Zimbabwe about forty years ago. The company then relocated its head office to South Africa in the early 2000s. Currently it operates hotels in Zimbabwe, Botswana, Malawi, Namibia, Zambia, and Ghana (see table 4).

Table 4: Cresta Royale Hotels in Africa

Botswana	Name of Hotel	Location
	Cresta Bosele Hotel	Selebi-Phikwe
	Cresta Botsalo Hotel	Palapye,
	Cresta Lodge Gaborone	Gaborone
	Cresta President Hotel	Gaborone,
	Cresta Riley's Hotel	Maun
	Cresta Thapama Hotel	Francistown,
Zimbabwe	Cresta Churchill Hotel	Bulawayo
	Cresta Jameson Hotel	Harare,
	Cresta Lodge Harare	Harare
	Cresta Oasis Hotel	Harare
Malawi	Cresta Crossroads Hotel	Lilongwe,
Namibia	Cresta Lodge Pandu Ondangwa	Ondangwa,
Ghana	Cresta Royale Hotel	Accra
Zambia	Cresta Golfview Hotel	Lusaka

In Ghana, Cresta Royale (Accra) was officially opened in November 2003. It is a four star 100-roomed hotel with special focus on the business traveller. The hotel is wholly owned by a Ghanaian family, which has just shifted from investment in the fishing industry (cold storage under the name CallWall) into the hotel industry.

In Malawi, Cresta Crossroads is the first hotel to operate under the Cresta Hospitality Hotel Group. The hotel, which has 51 rooms, was officially opened on 6 August 2004. The hotel owner is a local businessman who also owns Shaant Construction Ltd as well as the Crossroads Complex in which the hotel is situated.

WAGES, BENEFITS AND WORKING CONDITIONS

The different hotels covered in this booklet employed between 60 and 400 workers. Minimum wages ranged from US\$ 74 (Zambia) – US\$ 290 (South Africa) with various benefits provided (see table 5). Weekly working hours usually ranged from 40 – 45.

Table 5: Minimum wages and benefits

	Minimum wage (US\$)	Benefits (other than leave)
Sun International, Zambia	74	Pension scheme; medical aid scheme for unionised workers, supervisors and managers; transport provided; housing allowance; subsistence allowance; accident cover; funeral assistance; meals during 8 hour shifts.
Sun International, Namibia	200	Housing subsidies/allowance; transport allowance; meals for staff on duty; annual bonus; medical aid for management (optional for other staff); retirement fund.
Holiday Inn, Zimbabwe	Constantly changing due to high inflation	Training; transport and accommodation allowance; contribution to medical aid; meals for staff on duty; annual bonus; full pay for those on maternity leave.
Holiday Inn, South Africa	290	Annual bonus; transport for staff on night shift; study loans; optional medical aid scheme; retirement fund; limited "learnership programme".
Cresta Crossroads, Malawi	75	Medical aid scheme; transport; incentive bonus.
Cresta Royale, Ghana	89	Pension; medical aid; transport; incentive bonus; loans; meals on duty; clothing allowance; telephone allowance.

Overall, working conditions at these hotels tended to be better than those in other sectors of the economy. No children were employed and very few problems were experienced regarding workers' health and safety. However, some companies did not take the necessary precautions to protect their staff. Cresta Royale in Ghana, for example had no health and safety committee and no policy on first aid despite the risks that kitchen staff, storekeepers and cleaners faced.



ADHERENCE TO LABOUR LAWS AND ILO CONVENTIONS

There seemed to be very few violations of national labour laws and ILO conventions. Likewise, we found no incidences of child labour or forced labour. However, hotel workers in Namibia, Zambia and South Africa experienced instances of racism and/or gender discrimination. A Namibian shop steward said: "We still use the 'Irish Coffee System' with blacks below and whites at the top". In Zambia, the trade union noted that almost all management positions were held by white expatriates, usually from South Africa.

Despite formal adherence to ILO standards and national labour laws, workers at Sun International in Zambia experienced intimidation as a strategy to discourage workers from joining the union. Workers felt discriminated if they belonged to the union while casual workers were denied the right to join the union.

LABOUR RELATIONS AND COLLECTIVE BARGAINING

Workers are represented by trade unions at all hotel chains covered in this booklet, although they are organised in different forms. The levels of unionisation differ significantly as reflected in table 6. This table covers only permanent staff and unionisation rates would be much lower if casual and contract workers were included.

Table 6: Unionisation rates (permanent, non-management staff)

Ghana (Cresta Royale)	100% (junior staff)
Malawi (Cresta Crossroads)	25%
Namibia (Sun International)	60%
Zambia (Sun International)	60%
South Africa (Holiday Inn)	40%
Zimbabwe (Holiday Inn)	10%

In Zimbabwe, each of the Holiday Inn hotels has a workers committee of 7 members who meet regularly to discuss workplace issues. Each hotel also has health and safety committees, which provide training on health and safety issues.

All members of the workers committee as well as most staff are members of the Zimbabwe Catering and Hotel Workers Union (ZCHWU), which has a cordial relationship with the company and negotiates salaries on a quarterly basis at the National Employment Council (NEC). During the past 5 years, only one strike took place.

In South Africa, the situation is quite different. Three different unions are organising in the sector, of which the South African Commercial, Catering and Allied Workers Union (SACCAWU) is the biggest. SACCAWU has a recognition agreement with Holiday Inn, but the two other unions are also recognised in particular provinces (CAWUSA in Gauteng and HIAWU in KwaZulu Natal).

Unlike in Zimbabwe, there are no workplace forums and management hardly engages with worker representatives. Only one strike took place during the past 5 years.

In Namibia, the Namibia Food and Allied Workers Union (NAFAU) is recognised as

the exclusive bargaining agent as long as the union represents more than 50% of the workers. The first recognition agreement was signed in 1993 and amended several times since then. Workplace representatives (shop stewards) are elected by workers and form a shop steward committee which meets managements once a month or as the need arises. In addition, there are daily briefing meetings between shop stewards and management.

Shop stewards receive special leave to perform their duties and participate in the annual wage negotiations between NAFU and Kalahari Sands. Only permanent workers are covered by these negotiations while temporary workers are not. There was no strike during the past 5 years.

In Ghana, workers belong to the Industrial and Commercial Workers Union (ICU), which did not experience any form of resistance by management. A local union branch was formed in November 2004 but meetings between management and workers were only held irregularly. Wages, overtime work and pay and transport are the main issues tabled by workers for negotiations. No strikes took place since the hotel started its operations in 2003.

In Zambia, the Hotel and Catering and Allied Workers Union of Zambia (HCAWUZ) is the only union organising workers in the tourism and hospitality sector. It has a recognition agreement with Sun International Zambia which came into force in September 2004. Salaries are negotiated each year while other conditions of service are reviewed every 2 years.

Workers experience anti-union intimidation as mentioned above and the relationship between management and the union is tense at times – despite management claims that the relationship with the union was "good". **Industrial action was taken on several occasions:**

- ▶ In 2002, workers embarked on a three-day go-slow over the withdrawal of "service charges"² by the company
- ▶ In 2003 the union staged a one-day protest over salary increases
- ▶ In 2005 the union staged a 6-hour protest over delayed payments of salaries.

In Malawi, the Hotels, Food Processing and Catering Workers Union (HFPCWU) is organising the Cresta Crossroads workers. Management was reluctant to sign a recognition agreement, which the union requested to pave the way for collective bargaining on salaries and conditions of employment. Despite representing more than 20% of workers as set out as the minimum requirement in Malawi's labour law, the union still struggles to obtain recognition.

² Service charges are provided for in section 25 of Zambia's Hotels Act. It states that "a hotel shall add to every bill a service charge of ten per centum of the bill, which shall be paid in equal shares to all employees who are unionised or are eligible for union membership".

RACIAL AND GENDER EQUALITY

Accusations of racial and gender discrimination are common at several hotels. Workers at Sun International, for example, argued that they were not given equal opportunities and that most of the jobs at managerial level were reserved for white. A common practice is the deployment of white male South African managers to hotels in other African countries. The remnants of apartheid workplaces were still visible as indicated in tables 7 and 8 below.

Table 7: Staff Composition and racial hierarchy of Sun International in South Africa

Position	Black		White	
	Male	Female	Male	Female
Executive Management	7,6%	0	88,7%	3,8%
Senior Management	9,7%	3,9%	75,7%	10,7%
Middle Management	16,4%	9,1%	50,6%	24%
Junior Management	30,1%	22,4%	29%	18,5%
Supervisory staff	49,8%	29,9%	10,9%	9,3%
General staff	42%	51%	2,3%	4,7%
Total	40,3%	41%	10,7%	8%

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TOURISM IS OFTEN ATTRACTED TO REMOTE AREAS WITH FEW OTHER DEVELOPMENT OPTIONS BECAUSE OF THEIR HIGH CULTURAL, WILDLIFE AND LANDSCAPE VALUES

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Table 8: Staff Composition and racial hierarchy of Kalahari Sands (Sun International) in Namibia

Position	Black		White		Expatriates	
	Male	Female	Male	Female	Male	Female
Senior Management	10%	20%	20%	10%	40%	0
Middle Management	40%	20%	6,6%	12,3%	20%	0
Junior Management and supervisory staff	25%	60%	2,5%	5%	2,5%	2,5%
General staff	45,1%	52,6%	0	0	0	0
Total	41,1%	52,5%	1,1%	2,5%	2,2%	0,3%

These tables show that black women are the dominant group amongst general hotel staff, accounting for over 50% in South Africa and Namibia. At middle and senior management, however, they account for only 4 - 20%, which demonstrates the inherent gender and "racial" biases in employment. There are almost no white persons employed at lower levels but white males dominate in management positions, particularly in South Africa.

Sun International views employment equity as one of the major elements of transformation that can help achieve the business goals and uplift employees in the group. It wants to increase the number of black employees in managerial and senior positions and at the same time ensure that the working environment is able to accommodate the diversity of the company's workforce. However, the company's effort to promote black people into senior positions, the transformation process or employment equity is very slow.

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CHANGING THE ATTITUDES OF TOURISTS
(AT BOTH INTERNATIONAL AND
NATIONAL LEVELS) IS ALSO ESSENTIAL
IF THE PRO-POOR TOURISM IS TO BE
COMMERCIALY VIABLE AND SUSTAINABLE

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TRAINING

The level and quality of training offered by the hotel chains differs significantly in terms of quality and duration. In Zambia, workers complained that Sun International had no clear training policy and that the current in-house and on-the-job training is inadequate to facilitate skills upgrading. In Namibia, on the other hand, Sun International has a policy on training and the company jointly with workers decides on who will attend which courses. Almost all employees attended some form of training, consisting either of induction courses, industrial relations courses or other externally available courses. A training committee consisting of 4 shop stewards and the heads of department was established to discuss and coordinate training.

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COMPANY JOINTLY WITH
WORKERS DECIDES ON WHO
WILL ATTEND WHICH COURSES

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The Cresta Crossroads Hotel in Malawi sent its senior staff for further training to Botswana and then tasked the general manager to conduct on-the-job training for all junior staff at the hotel. The Holiday Inn Hotels in Zimbabwe established a hospitality training institute, known as the Hospitality Training Academy (HTA) since 2004. Holiday Inn directly employs people who have undergone training there and most hotel staff has received additional training since they joined the company. Management usually decides upon the type of training, although some workers asked for training through their head of department.

RESTRUCTURING AND SUBCONTRACTING

This is perhaps the greatest threat and challenge experienced by workers in Africa's hospitality sector. Restructuring and outsourcing, including the use of casual and contract labour is widespread and has far-reaching implications for the workers concerned. The Holiday Inn hotels in Zimbabwe outsourced security, catering and maintenance to private security companies. However, the company later reviewed this practice and then decided to make housekeeping and maintenance part of its own operations again.

The Holiday Inn hotels in South Africa also embarked on restructuring as a common feature of its operations. Like the other chains, it resorted to the widespread use of casual workers, which make up more than 50% of total staff. Casualisation affects mainly workers in the lower skills categories and the company has no social plan for the workers it retrenches. Its widespread use is not based on the nature of the hospitality industry, but a permanent feature of the hotel chain.

Over the past few years, between 4000 and 7000 workers were retrenched at the Southern Sun Group. In those cases where services were outsourced, workers were taken over by the sub-contractor or they were retrenched. Those taken over, experienced a decline in wages and working conditions. The main union in the industry, SACCAWU, regards the organising of casual, contract and outsourced workers as a key priority in the years to come.

In Zambia, outsourcing and casualisation is widespread at Sun International. Management takes decisions on workplace restructuring unilaterally without involving the union. The company actively promotes casualisation, creating two classes of workers in the process. Casual workers are not unionised and thus are not represented by the union. The temporary nature of casual jobs also makes them vulnerable to exploitation. They do not receive any of the benefits that permanent workers are entitled to such as pension, group accident and medical aid schemes.

The widespread casualisation at Sun International has directly undermined the representation of the union. Although it represents about 60% of the permanent staff, this number drops to 20% if part-time, casual and supervisory employees are included.

A similar trend can be observed at Sun International's Kalahari Sands Hotel in Namibia. In addition to 240 full-time staff, the company employs 120 casual and temporary workers through various sub-contractors. The non-permanent workers are excluded from collective bargaining and do not enjoy the same wages and benefits as permanent staff.

HIV/AIDS

Africa - in particular the southern region - has one of the highest prevalence rates of HIV/AIDS and thus hotel chains were forced to develop some response to the pandemic. The Holiday Inn hotels in South Africa adopted a policy of non-discrimination regarding their staff's HIV status. HIV positive workers receive counselling and free HIV medication through the medical aid scheme. Staff members who are not on a medical aid scheme receive the drugs at cost price from the company.

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HIV POSITIVE WORKERS RECEIVE COUNSELLING AND FREE HIV MEDICATION THROUGH THE MEDICAL AID SCHEME

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The Holiday Inn hotels in Zimbabwe introduced their HIV/AIDS policy in 2003. The policy provides for HIV/AIDS awareness training, including voluntary testing and counselling as well dietary issues and treatment. The company also assists HIV positive staff with dietary supplements and anti-retroviral drugs (ARVs).

Sun International in Zambia does not yet have a fully developed HIV/AIDS policy and programme. The current programmes include HIV/AIDS awareness and sensitisation but need to be expanded to include voluntary testing and counselling, treatment and care (as is the practice at Holiday Inn hotels in Zimbabwe and South Africa). In Namibia, Sun International conducts specific training on HIV/AIDS to equip staff to be peer educators and counsellors. The company also provides motivational programmes and condoms to its staff.

SOCIAL RESPONSIBILITY PROGRAMMES

Hotel chains are conscious of their image, which has a direct bearing on the customer base they are able to attract. It is thus hardly surprising that hotel chains embarked on social responsibility programmes to popularise themselves and to enhance their public image. In Namibia, Sun International provides study loans to underprivileged Namibian students. The company also provides a plate of soup to 20 000 pensioners once a month, mostly during the time when they queue for their monthly pension payouts. Furthermore, the company donates computers and blankets to a school and contributes financially to a fund for under-privileged children.

Likewise, Sun International also has an active social investment programme in Zambia, which includes support for a number of local projects including programmes of people living with HIV/AIDS and orphans, old age homes, farming projects, schools, sports, hospitals, prisons and reformatories. The company spent about US\$ 200 000 on corporate social investments in Livingstone in 2005.

Holiday Inn hotels in Zimbabwe also contribute to various charitable projects, including adopting a children's ward in a Bulawayo hospital, supporting other hospitals and old age homes with donations. The company also funds educational projects and the football team of its staff. Similarly, Holiday Inn hotels in South Africa support a number of charities, income-generating activities and sports.

The relatively young Cresta hotels in Malawi and Ghana, have not yet embarked on substantive social investments, although Cresta Royale in Accra made donations to charities and NGOs, including orphanages. The Cresta hotels are likely to follow the trend of other hotels in an attempt to improve their public images.

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THE COMPANY ALSO FUNDS
EDUCATIONAL PROJECTS AND THE
FOOTBALL TEAM OF ITS STAFF

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CONCLUSION

The multinational hotel chains in Africa are catering for the traditional forms of tourism with limited linkages to the host communities. Their impact on local socio-economic development is thus limited and they do not fall into the category of pro-poor tourism. On the other hand, the hotel chains contribute to local employment and usually offer reasonable wages and working conditions. The widespread practice of using subcontractors and casual labour is the biggest threat to permanent jobs in the industry. In some cases, more than 50% of workers at hotel chains are already non-permanent staff and do not enjoy the same wages and benefits like permanent workers.

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SOME HOTELS HAVE ESTABLISHED GOOD
PRACTICES REGARDING HIV/AIDS

Trade unions need to tackle this practice head-on and broaden their membership base beyond permanent full-time staff. SACCAWU's initiative in South Africa may be the example to follow for other unions. Outsourced and casual workers need to be included in wage negotiations with a view of ensuring that their working conditions are not worse than those of permanent workers. Unions could also advance the argument of the company's social responsibility towards their staff and advocate for a reversal of outsourcing practices as has happened to some extent at the Holiday Inn hotels in Zimbabwe.

Some hotels have established good practices regarding HIV/AIDS and thus it seems possible to establish a common set of standard policies at all hotel chains. Such policies should include non-discrimination based on HIV status; awareness campaigns; voluntary testing and counselling; and the provision of anti-retroviral drugs and food supplements.

The potential of tourism as a strategy of poverty-reduction in Africa has certainly not been realised to the full as the industry still operates in relative isolation from its host communities. Historical and cultural links between visitors and these communities are rudimentary and rather exceptional. Also, hotel chains tend to source services and goods from outside their surrounding communities. This is certainly an area to address if Africa wants to derive greater benefits from the growing tourism industry.

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This Project was co-ordinated by
National Labour & Economic Development Institute

