



**PAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION  
DEPARTMENT OF GOVERNANCE AND MANAGEMENT SCIENCES**

<b>QUALIFICATION: BACHELOR OF EMPLOYMENT AND LABOUR RELATIONS HONOURS</b>	
<b>QUALIFICATION CODE: 08BILR</b>	<b>LEVEL: 8</b>
<b>COURSE CODE: LRP812S</b>	<b>COURSE NAME: LABOUR RELATIONS PRACTICE</b>
<b>SESSION: JUNE /JULY 2023</b>	<b>PAPER: THEORY</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>

<b>FIRST OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	Mr Elias Kandjinga
<b>MODERATOR:</b>	Mr Ohms Kayama

<b>INSTRUCTIONS</b>
<ol style="list-style-type: none"><li>1. Answer <u>ALL</u> the questions in Section A and only <u>ONE</u> question in Section B.</li><li>2. You are expected to apply your subject knowledge to the questions.</li><li>3. Write clearly and neatly.</li><li>4. Number your answers clearly.</li></ol>

**PERMISSIBLE MATERIALS**

1. Pen
2. Ruler

**THIS QUESTION PAPER CONSISTS OF 8 PAGES** (Including this front page)



**Section A (Answer all the questions)**

**[72 marks]**

**Question 1**

Read the following case study and answer all the following questions.

**B2Gold Otjikoto Phased Mine Closure**

On 13 April 2023, the General Manager of B2Gold Namibia issued the following message to staff:

Over the past few months there has been uncertainty about the future of the Otjikoto Mine due to its limited gold resource. Unfortunately, despite our best efforts, B2Gold Namibia (“the Company”) must commence with a phased mine closure process which will affect the mine site and Windhoek office staff. This communication provides a brief outline of the reason for mine closure, the process that will be followed, and key points which all employees should be aware of.

**1. Reason for closure**

B2Gold acquired the Otjikoto Gold Mine from Auryx Gold in 2011. Construction of the mine commenced in April 2013 and was completed in the last quarter of 2014. First gold was poured on December 5, 2014, and the operation reached commercial production on March 1, 2015. The most recent approved Life of Mine Plan (LoM) indicates a current mine life (including the processing of low-grade stockpiles) of approximately nine years (beginning 2023) – unless a significant open pit discovery or extension to the underground reserves is discovered. Based on the LoM, the open pit end of life will likely be the end of 2024, with open pit mining output ramping down to 50% of production capacity in 2024. Accordingly, the last year of full open pit mining production will be 2023. Processing and milling of low-grade stockpiles will continue until approximately 2031 (provided that this activity is proven to be economically viable). B2Gold remains committed to the Otjikoto Mine and continues to invest a considerable amount of



money in exploration activities around the mine, with the hopes that the project's life can be extended.

## **2. Timeline of downscaling**

The workforce reduction plan is based on a ramp-down schedule which was finalised during 2022. This schedule will continue to be updated regularly and will impact annual budgets accordingly [...].

## **3. Consultation processes and timeline**

The Labour Act requires that the employer and employees, or the workplace union representatives or trade union, negotiate, in good faith, on the following matters:

- alternatives to retrenchment;
- criteria for selecting the employees for dismissal;
- how to minimize the dismissals;
- conditions on which the dismissals are to take place; and
- how to minimize the adverse effect of the retrenchment.

Management will have continuous, transparent, and ongoing communication with their respective departments. Employees will be informed of the plans and critical timelines for the mine. They will be provided with accurate information on pay-outs and notice periods, including their rights and any other relevant entitlements.

## **4. Retrenchment**

Retrenchment is defined as the reduction of the workforce by the employer. The Labour Act No 11 of 2007 makes provision for fair dismissals arising from collective terminations or redundancy as per section 34 of the Act.

The reason for an intended retrenchment for the purpose of reduction of the workforce is applicable when there is a re-organisation or transfer of the business or the discontinuance or reduction of the business for economic or technological reasons. The



(gradual) closure of a section or part of the mine would thus qualify under this section. In this case, the reason for the workforce reduction is economical (although, in an actual sense, it is a natural cause).

## **5. The right of employees during the retrenchment procedure**

During the retrenchment procedure, employees have the following rights:

- right to correct information;
- right to reasonable notification;
- right to retrenchment selection criteria;
- right to know the pay-out packages and how the calculations were done; and
- right to inquire and seek information.

## **6. Grievance Procedure**

The Grievance Procedure provides all B2Gold Namibia employees with effective resolution processes and provides a platform for complaints or grievances to be resolved, investigated, and responded to in a sensitive, fair, timely, confidential, and appropriate manner.

Any employee dissatisfied with the Company's activities relating to the retrenchment process has the right to lodge a grievance. The Company will ensure that the grievance process is conducted fairly and transparently as per the Grievance Procedure. Ongoing communication campaigns will provide employees with the correct information should they wish to lodge a grievance. Employees may speak to any HR team member, who can direct them to the appropriate HR personnel to lodge their grievance.

## **7. Company support**

Where possible, the Company will implement support measures to assist retrenched employees in finding new employment options. The support measures will include





counselling services, basic training, job placement support, and additional support programmes such as financial counselling.

### **8. Other matters**

An employee roadshow took place from 11 to 12 April 2023. The purpose of the roadshow was to share the memo information, and to respond to questions employees might have. Detailed information regarding affected employees will not be shared now, as this process has yet to be finalised. The retrenchment policy and retrenchment criteria are currently unavailable, as consultations with the BEC/MUN have not been finalised. The Company is committed to negotiating in good faith and being transparent with our communication and will share the agreement / policy once it has been finalised. Should you have any questions, please do not hesitate to contact your Superintendent, HOD, General Manager, Country Manager or HR Manager.

*Source: B2Gold Otjikoto & Country General Manager*

- 1.1. Explain the terms retrenchment and redundancy and justify which one is evident in the above case. **[6]**
- 1.2. Based on the case, outline the reasons for the mine closure and discuss the possibilities of employees' reinstatement. **[10]**
- 1.3. It is evident in the case that the dismissal of employees is due to operational requirements. Discuss in detail how dismissal due to operational requirements is handled in practice and in compliance with the Labour Act 11 of 2007. **[20]**
- 1.4. In your view, do you think B2Gold management is approaching the retrenchment circumstances substantively and fairly? Justify your answer **[5]**
- 1.5. Assume employees targeted for retrenchment had their collective grievance addressed and finalised but the matter remained unsettled. Is there a remedy or recourse for these employees? Yes, or no? Substantiate your answer. **[6]**



1.6. Upon receiving their employment termination letters, the employees approached a well-known labour consultant for advice. The labour consultant advised these employees to go on strike because the next step in dispute settlement is to strike to force management to employ them back. Analyse and discuss the implications this labour consultant advise has on employees hope for re-employment. **[10]**

1.7. According to the case, 'consultations with the Mine Workers Union (MUN) has not been finalised but the company is committed to negotiating in good faith and being transparent in their communication'.

a) What does the above statement mean in practice? **[3]**

b) Explain the matters that will take centre stage during the negotiation process and the bargaining approach that is likely to be used by the two parties. **[12]**



**Section B (Answer only question 1 or question 2)**

**[28 marks]**

**Question 1**

Read the following case study and answer all the following questions.

**Time does not fly when on probation.**

Rebecca, an impressionable college graduate, is eager to start her new job as a buying assistant at one of the country's largest retail groups. She has visions of a new car, cell phone and a possible trip overseas. However, Rebecca – who has been employed for 22 days – has a long way to go before her probation is over and she can truly feel confident that she does not lose her job, as she has in the last three instances. She constantly complains that she hates being on probation and the fact that she can only qualify for a long-term credit agreement once her probation period has lapsed. This means that she won't be able to purchase a new car yet. She would require at least three months' salary advance to demonstrate that she will not be a credit risk. Probation has been a challenge for her. She is expected to arrive at work very early (in her opinion). She seldom has the opportunity to take lunch or tea breaks and she is expected to work every second Saturday. These conditions according to Rebecca is unreasonable.

*Adapted from: Nel. et al. 2020*

- 1.1. What is the purpose of probation? **[4]**
- 1.2. What should an employer do when he or she determines that the employee's performance is below standard? Will the employer deal with poor performers who are still in their probationary period differently than with those whose probationary period has lapsed? Give reasons for your answer. **[15]**
- 1.3. Do you think that an employer should offer a reason for dismissal based on poor performance during probation? Substantiate your answer. **[5]**



- 1.4. In your view, discuss the relationship between the human resource management policy and labour relations policy in a work setting. [4]

**Question 2**

**[28 marks]**

- 2.1. Distinguish between the positive and negative approach to discipline and provide practical examples for each. [13]
- 2.2. In a short summary, how did the Labour Relations Practice (LRP812S) as a course shape your practical understanding of the employment relationship in contemporary organisations? Do you foresee applying what you have learned thus far, how? *Here, you are required to express your understanding in your own words and not listing topics or themes appearing in your prescribed course materials. Also, please note that this question is twofold, the latter requiring you to relate theory to practice.* [15]

**End of Paper!**

**Good Luck!**

