## IN THE HIGH COURT OF THE UNITED REPUBLIC OF TANZANIA (LABOUR DIVISION) AT ARUSHA

## **APPLICATIION FOR REVISION NO. 123 OF 2021**

(C/F LABOUR DISPUTE NO. CMA/ARS/ARS/224/137/21)

| ELIZABETH EMMANUEL WANGAI    | 1 <sup>ST</sup>   | <b>APPLICANT</b> |
|------------------------------|-------------------|------------------|
| SILVIA DAMIAN MACHA          | 2 <sup>ND</sup>   | APPLICANT        |
| MONICAL ADREA MUHANDO        | 3 <sup>RD</sup>   | <b>APPLICANT</b> |
| HAPPINESS RUBEN LOBULU       | 4 <sup>TH</sup>   | APPLICANT        |
| VIOLETH ALLEN LENGA          | 5 <sup>TH</sup>   | <b>APPLICANT</b> |
| GLORIA AMBROSE SWAI          | 6 <sup>TH</sup>   | APPLICANT        |
| MARY WENZESLAUS ASSEY        | <b>7</b> TH       | APPLICANT        |
| HARRISON ANDREW MSUYA        | 8 <sup>TH</sup>   | APPLICANT        |
| ERNFEST YOHANA MGANA         | 9 <sup>TH</sup>   | APPLICANT        |
| GLADNESS KURINGE MALISA      | .10 <sup>TH</sup> | APPLICANT        |
| JENIPHER ARSEN MRINA         | .11 <sup>TH</sup> | <b>APPLICANT</b> |
| ESTER ALOYCE MUSHI           | 12 <sup>TH</sup>  | <b>APPLICANT</b> |
| REVENTER WINGISA URASSA      | 13 <sup>TH</sup>  | <b>APPLICANT</b> |
| ASIA THOMAS MISSANGA         | 14 <sup>TH</sup>  | APPLICANT        |
| VANANCE JUSTIN SHIRIMA       | .15 <sup>™</sup>  | APPLICANT        |
| EMMANUEL GABRIEL MLOKOZI     | .16 <sup>TH</sup> | APPLICANT        |
| ELIZABETH PHILIPO MLELA      | .17 <sup>TH</sup> | APPLICANT        |
| ELIAKUNDA PENDAELI PALLANGYO | 18 <sup>TH</sup>  | APPLICANT        |
| SARAH ABEL MOLLEL            | .19 <sup>TH</sup> | APPLICANT        |
| NICHOLAUS PENDAELI AKYOO     | .20 <sup>TH</sup> | APPLICANT        |

| ELIBARIKI SETH MBISE     | 21 <sup>ST</sup> APPLICANT |
|--------------------------|----------------------------|
| MARY YUSTINO KIJAZI      | 22 <sup>ND</sup> APPLICANT |
| SIRIELY GRAYSON AYO      | 23 <sup>RD</sup> APPLICANT |
| PEDASURI LAURIAN MAJARA  | 24 <sup>TH</sup> APPLICANT |
| ANASA PETRO KAAYA        | 25 <sup>TH</sup> APPLICANT |
| JOSEPHINE ZACHARIA       | 26 <sup>TH</sup> APPLICANT |
| NAVON WILFRED MZAVA      | 27 <sup>TH</sup> APPLICANT |
| EMMANUEL LANGAEL AYO     | 28 <sup>TH</sup> APPLICANT |
| BEATRICE SOLOMON URASSA  | 29 <sup>TH</sup> APPLICANT |
| VICTORIA WILLY PAUL      | 30 <sup>TH</sup> APPLICANT |
| RAJABU JUMANNE SAIDI     | 31 <sup>ST</sup> APPLICANT |
| ELINURU MARCO MBISE      | 32 <sup>ND</sup> APPLICANT |
| REWARD MESHACK MOLLEL    | 33 <sup>RD</sup> APPLICANT |
| DAUDI MTIE GUNDA         | 34 <sup>TH</sup> APPLICANT |
| BEATRICE PAULO AYO       | 35 <sup>TH</sup> APPLICANT |
| DILVER LAWRANCE MSONGELA | 36 <sup>TH</sup> APPLICANT |
| HELLEN MICHAEL WOISSO    | 37 <sup>TH</sup> APPLICANT |
| YOHANA MGERI SAMSON      | 38 <sup>TH</sup> APPLICANT |
| WILSON SHILESARYO USSIRI | 39 <sup>TH</sup> APPLICANT |
| JOYCE NEHEMIA KAAYA      | 40 <sup>TH</sup> APPLICANT |
| OBEID MIBAROI MERINYOI   | 41 <sup>ST</sup> APPLICANT |
| DENICE ANDERSON NNKO     | 42 <sup>ND</sup> APPLICANT |
| DENNIS AMANDUS MBAWALA   | 43 <sup>RD</sup> APPLICANT |
| NEEMA JAPHET PAMBE       | 44 <sup>TH</sup> APPLICANT |
| MARTHA LAIFORD BULENGA   | 45 <sup>TH</sup> APPLICANT |
| ESTER IBRAHIM LYIMO      | 46 <sup>TH</sup> APPLICANT |
| MAGDALENA ZAKARIA MBISE  | 47 <sup>TH</sup> APPLICANT |

| MSUMI SELEMAN TWAHA       | 48 <sup>TH</sup> APPLICANT |
|---------------------------|----------------------------|
| IRENE JAMES MAGESA        | 49 <sup>TH</sup> APPLICANT |
| ABDALLAH SULEIMAN MADJAPA | 50 <sup>TH</sup> APPLICANT |
| AGNESS ALLY MZAVA         | 51 <sup>ST</sup> APPLICANT |
| GODSON PASCALLY SKALOLO   | 52 <sup>ND</sup> APPLICANT |
| JULIAN CHESKO KALOLO      | 53 <sup>RD</sup> APPLICANT |
| CATHERINE MOSES MWAGOBOLA | 54 <sup>TH</sup> APPLICANT |
| ELIBARIKI NGAO MOLLEL     | 55 <sup>TH</sup> APPLICANT |
| EDWARD ANAELY PALLANGY    | 56 <sup>TH</sup> APPLICANT |
| SALIM SALIM               | 57 <sup>TH</sup> APPLICANT |
| VICTORIA VALENTINE SALEMA | 58 <sup>TH</sup> APPLICANT |
| NEEMA ASHEL THEMAELI      | 59 <sup>TH</sup> APPLICANT |
| RADEGUNDA JOHN MLYA       | 60 <sup>TH</sup> APPLICANT |
| LILIAN PETRO MOLLEL       | 61 <sup>ST</sup> APPLICANT |
| DOROTH VENANCE KOMBA      | 62 <sup>ND</sup> APPLICANT |
| EDWIN NIMROD              | 63 <sup>RD</sup> APPLICANT |
| ADELPHINE EDWARD MNDASHA  | 64 <sup>TH</sup> APPLICANT |
| BEATRICE HASSAN MKADALA   | 65 <sup>TH</sup> APPLICANT |
| PATRICK CHARLES MWAIJABE  | 66 <sup>TH</sup> APPLICANT |
| ZAMZAM IBRAHIM MLAPONI    | 67 <sup>TH</sup> APPLICANT |
| MONICA S. MRINA           | 68 <sup>TH</sup> APPLICANT |
| JANETH DOMINIC KIMARO     | 69 <sup>TH</sup> APPLICANT |
| TITTO DANI MACHA          | 70 <sup>TH</sup> APPLICANT |
| EDNA MICHAEL NNKO         | 71 <sup>ST</sup> APPLICANT |
| HELLEN BONIFACE NNKO      |                            |
| HELLEN BONIFACE LYAMUYA   | 73 <sup>RD</sup> APPLICANT |
| YAKOBO MERERU NDAINYO     | 74 <sup>TH</sup> APPLICANT |

| FRANCIS MAGWEIGA MATHERU75 <sup>TH</sup> APPLICANT      |
|---|
| SOLOMON ARON NGUTTEYA76 <sup>TH</sup> APPLICANT         |
| RICHARD ANANIA JONAS77 <sup>TH</sup> APPLICANT          |
| JAMES ABRAHAM TIKAI78 <sup>TH</sup> APPLICANT           |
| AGATHA GODFREY MBUYA79 <sup>TH</sup> APPLICANT          |
| FATUMA KHAMIS MAYOTA80 <sup>TH</sup> APPLICANT          |
| GETRUDE FANUEL MOLLEL 81 <sup>ST</sup> APPLICANT        |
| BENEDICSTOR LANDELINE TEMU82 <sup>ND</sup> APPLICANT    |
| LAZARO ISRAEL BUXAY83 <sup>RD</sup> APPLICANT           |
| ROSEMARY LAZARO MATATA84 <sup>TH</sup> APPLICANT        |
| MICKY KINKUMBI MKUMBO85 <sup>TH</sup> APPLICANT         |
| EDWARD ELIZER LAIZER 86 <sup>TH</sup> APPLICANT         |
| OBEID GARALD MOLLEL87 <sup>TH</sup> APPLICANT           |
| EVELYNE PAMA MASANJA88 <sup>TH</sup> APPLICANT          |
| RUTH ELISHA CARNELIO89 <sup>TH</sup> APPLICANT          |
| DOREEN GERALD KISANGA90 <sup>TH</sup> APPLICANT         |
| LOVENESS RAPHAEL LOY91 <sup>ST</sup> APPLICANT          |
| AARON EBROSY MWANGUKU 92 <sup>ND</sup> APPLICANT        |
| JOYCE WILLIAM SARAKIKYA93 <sup>RD</sup> APPLICANT       |
| ZAINAB MAULID MSURY94 <sup>TH</sup> APPLICANT           |
| MAGRETH AUGUSTINO MOSHY95 <sup>TH</sup> APPLICANT       |
| JOSEPH EMMANUEL LUKUMAY96 <sup>TH</sup> APPLICANT       |
| MARIAM JUMA NGAGA97 <sup>TH</sup> APPLICANT             |
| MWANAMVUA ABDALLAH WENGUWENGU98 <sup>TH</sup> APPLICANT |
| SAMSON ZABRON LIZZA99 <sup>TH</sup> APPLICANT           |
| JANETH SAID SAMZIGWA100 <sup>TH</sup> APPLICANT         |

| HAPPINESS J. NYANGE       | 101 <sup>ST</sup> APPLICANT |
|---------------------------|-----------------------------|
| ROSELINE NEMES MTUI       | 102 <sup>ND</sup> APPLICANT |
| NEEMA HEAVEN MAMUYA       | 103 <sup>RD</sup> APPLICANT |
| AGNESS PINIEL NGARABALI   | 104 <sup>TH</sup> APPLICANT |
| LUCY JOSEPH NTIBAN        | 105 <sup>TH</sup> APPLICANT |
| JUSTINA J. JAPHET         | 106 <sup>TH</sup> APPLICANT |
| MICHAEL KIVUYO            | 107 <sup>TH</sup> APPLICANT |
| HELLENA GABRIEL PALLANGYO | 108 <sup>TH</sup> APPLICANT |
| IRENE FRANCIS SISAMO      | 109 <sup>TH</sup> APPLICANT |
| YOHANA LADISLAUS MALIMA   | 110 <sup>TH</sup> APPLICANT |
| DOMONICK JOHN KITALYA     | 111 <sup>TH</sup> APPLICANT |
| PAUL MASHIKU TIGI         | 112 <sup>TH</sup> APPLICANT |
| MARIAGORETH S. NKWERA     | 113 <sup>TH</sup> APPLICANT |
| MARIAM CHARLES KIDANHA    | 114 <sup>TH</sup> APPLICANT |
| SALOME PANGAMAWE          | 115 <sup>TH</sup> APPLICANT |
| NURU ALEX URIO            | 116 <sup>TH</sup> APPLICANT |
| MUHANDO M. MWERUGUSI      | 117 <sup>TH</sup> APPLICANT |
| LUCAS KAAYA               | 118 <sup>TH</sup> APPLICANT |
| RAJABU MUHAMED MSHANA     | 119 <sup>TH</sup> APPLICANT |
| GATHBERT Z. SWA           | 120 <sup>TH</sup> APPLICANT |
| GASTON MZEE ASENGA        | 121 <sup>ST</sup> APPLICANT |
| STELLA EDWARD KILEO       | 122 <sup>ND</sup> APPLICANT |
| PRINCE M. MLEMERO         | 123 <sup>RD</sup> APPLICANT |
| ELLY ANDREA NNKO          | 124 <sup>TH</sup> APPLICANT |
| ELISIFA L. ORONGAI        | 125 <sup>TH</sup> APPLICANT |

| JONAS R. MWITA                | 126 <sup>TH</sup> APPLICANT |
|-------------------------------|-----------------------------|
| SHARON ADAM MOSHA             | 127 <sup>TH</sup> APPLICANT |
| JUMANNE HAJI KUNYA            | 128 <sup>TH</sup> APPLICANT |
| EVA EPIMACK NDANU             | 129 <sup>TH</sup> APPLICANT |
| VERSUS                        |                             |
| HODI HOTEL MANAGEMENT CO. LTD | RESPONDENT                  |

**JUDGMENT** 

22/8/2022 & 14/11/2022

## **GWAE, J**

A total of one twenty nine (129) applicants named herein have brought this application for revision under the provisions of section 91 and 94 of the Employment and Labour Relations Act, Cap 366 Revised Edition, 2019 (Act) and Rule 24 and 28 of the Labour Court Rules, 2009 (Rules). They are seeking the following orders of the court;

- That, this court be pleased to call for and examine the records of the proceedings and award of the Commission for Mediation and Arbitration at Arusha in Labour Dispute Ref. No. CMA/ARS/ARS/224/137/21
- 2. That, this court be pleased to revised the Arbitrator's award via CMA/ARS/ARS/224/137/21dated 19<sup>th</sup> November 2021 by quashing and setting aside
- 3. Any other relief and or further order the court may deem just to grant.

Initially, the applicants filed a dispute against the respondent, Hodi Hotel Management Co. Ltd on unfair termination based on operational requirements in other words, retrenchment of applicants' employment. The applicants who were employed in different times and places of work and who were rendering services to the respondent in various positions were retrenched on 14<sup>th</sup> June 2021. The central area of the applicants' complaint was that, they were unlawfully retrenched since the respondent did not comply with the provisions of section 38 of the ELRA (Act). The applicants' claims were in six (6) categories namely; twelve months' salary compensation, one-month salary in lieu of notice, severance pay, annual leave, payment for public holidays and salary arrears. All claims made a claim sum of Tshs. 1, 352,098,043/=

On the other hand, it was the respondent's assertion that, the applicants were retrenched due to the valid reason to wit; out-break of pandemic decease, COVID-19 pronounced nationally in March 2020. That, the respondent who deals with hotel industry with the following services, accommodations, conference facilities and beverages was tremendously and significantly affected by the lockdown that prevailed on that period. Consequently, the respondent could no to be financially able to pay her employees as used to be prior the pandemic outbreak since it lacked

regular customers. Therefore, drastic drop of the respondent's income earnings.

As to the retrenchment procedural aspect, the respondent seriously contended that, the same was followed accordingly since there were consultations through the employees' trade union (CHODAWU's leaders) and employees' representatives and that, the applicants were promised re-employment should the respondent's business improve in future.

Through its award procured on 19<sup>th</sup> day of November 2021, the CMA dismissed the applicants' prayer for compensation. However, it awarded the applicants a total sum of Tshs. 87,876,142.67/=being an amount accruing from admitted miscalculations by the respondent in respect of the applicants' respective terminal packages. Aggrieved by the impugned award, the applicants subsequently filed this application for revision supported by the sworn affidavit of one Leonard David, an official from CHODAWU. This application is based on the following grounds;

- a. That, there were errors material to the merits of the matter before the Commission
- b. That, the learned arbitrator failed to properly analyze the overall evidence adduced before him in finding that the retrenchment was both substantive and procedural fair despite

the overwhelming evidence adduced by the applicants' side demonstrating violations by the respondent

The respondent on other hand resisted this application by filing his counter affidavit sworn by one Richard Shanyangi by stating that, the arbitral award was properly procured based on the framed issues and evidence adduced before the Commission and that, the applicants were properly terminated.

Before this court, the applicants and respondents have the same representatives who had conduct of the parties' dispute in the Commission, these are; Mr. Leonard David an official from CHODAWU and Mr. Paschal Kamala, the learned counsel respectively. The parties' representatives consensually agreed that, this application be disposed of by way of written submissions.

Arguing for the 1<sup>st</sup> ground, the applicants' representative stated that, the sole witness, PW1 clearly and sufficiently established that there were violations of the labour laws especially retrenchment process without any registered trade union. He argued that the CHODAWU having exclusive bargaining power was not invited in the retrenchment exercise instead of CHODAWU field branch which was involved. He thus urged me to make reference to section 38 (1) of the Act and decisions of this court

Edward Mugurubi, Revision Application No. 5 of 2012 (unreported as well as the case of Moshi University College of Corporative and Business Studies (MUCCOS) vs. Joseph Reuben Sizya, Revision Application No. 11 of 2012, this court (Rweyemamu, J) held and I quote;

"The first objective is to ensure that, such terminations are substantively fair, meaning operational grounds are not used as a smoke screen to mask termination based on the prohibited ground, otherwise unfair terminations. That is why to win in such a dispute the employer must establish that the operational requirements were the real reason and not a pretext for terminating the involved employee".

In his reply to the applicants' written submissions, Mr. Kamaala argued that there was clear reason for the impugned retrenchment and that, there was compliance with retrenchment procedures as stipulated under section 38 of the Act supported by a total of 17 exhibits tendered by the respondent through DW1. Mr. Kamala further submitted that failure by the applicants to cross examine DW1 during arbitration relating his testimony that, CHODAWU was involved in the retrenchment exercise amounted to admission. To buttress, his submission, the respondent's

counsel cited the case of **Nyerere Nyague vs. Republic**, Criminal Appeal No. 67 of 2010 (unreported), where Court of Appeal held;

"As a matter of principle, a party who fails to cross examine a witness on a certain matter is deemed to have accepted that matter and will be estopped from asking the trial court disbelieve what witness said".

In conclusion, the counsel for the respondent argued that, this court is required by the law to give effect to the provisions of section 3 of the Act (supra) by promoting economic development through economic efficiency, productivity and social justice.

Having outlined what transpired before the Commission and this court, I am now obligated to determine the grounds of the revision as raised and argued by the parties' representatives.

In the **1**<sup>st</sup> **ground**, that, there were errors material to the merits of the matter before the Commission. As clearly and rightly argued by the parties in their respective written submissions for and against this revision application, the respondent had valid reason for retrenchment that is global Pandemic Disease (COVID-19) which plainly led to total or partial international closure of businesses and lockdown of peoples' movements. Hence, the applicants' termination is observed to have pertained with the operational requirements which was the real reason and not a pretext for

University College of Corporative and Business Studies (MUCCOS) (supra). As earlier explained, I do not see any reason to be curtailed by the 1<sup>st</sup> ground since it is clear that there was valid reason for applicants' termination. The same is thus dismissed.

Coming to the **2<sup>nd</sup> ground** on procedural aspect, I do not buy the argument advanced by the counsel for the respondent who submitted that the applicants did not pause or cross examine DW1 who testified that, CHODAWU was involved. I am holding that view for an apparent reason that, at page 20 of the typed proceedings, DW1 was cross-examined regarding involvement of CHODAWU in the retrenchment process and DWI refuted CHODAWU to have invited as opposed to the respondent's assertions. Perhaps for clarity, parts of the cross-examination to DWI are reproduced herein under;

"DW1: This is notice of retrenchment. The notice was issued to employees and CHODAWU branch,

Through this document, the Union was not served

I don't agree that the union was not served"

Basing on the quoted parts of the evidence adduced during arbitration, it follows therefore, the case of **Nyerere Nyague vs. Republic** (supra) cited by the learned counsel for the respondent is inapplicable in this

dispute. Going by the CMA record especially the respondent's exhibits, it is the observation of this court that, CHODAWU (R) was not involved save CHODAWU Field Brach (See DE3, DE11). It goes without saying that, the CHODAWU-Regional or Headquarter was not involved in the process of retrenchment. Having found as herein, I now have to ascertain whether failure to involve CHODAWU-Regional or CHODAWU Headquarter was a fatal irregularity or not. In order to be safer in determining this issue, I herein reproduce provisions of section 38 (1) of the Act (supra);

"(138) In any termination for operational (retrenchment), the employer shall comply with the following principles, that is to say, he shall-

- (a) Give notice of any intention to retrench as soon as it is contemplated;
- (b) Disclose all relevant information on the intended retrenchment for the purpose of proper consultation;
- (c) Consult prior to retrenchment or redundancy on –
- (d) Give the notice; make the disclosure and consult, in terms of this subsection, with-
  - (i) Any trade union recognized in terms of section 67
  - (ii) Any registered trade union which members in the workplace not represented by a recognized trade union;
  - (iii) Any employees not represented by a recognized or registered trade union".

The statutory provisions quoted above especially section 38 (1) (d) (i) of the Act envisage that, an employer must give notice to either recognized trade union, in our case CHODAWU, or any registered trade union in a work place or to any employee who is not represented by either recognized or registered trade union before the intended retrenchment.

In our instant dispute, the respondents merely involved the CHODAWU Field Branch as argued by the applicants' representative. However, as the employees were individually given notices, reasons for the retrenchment were given to the employees, thus they were consulted and discussions were carried out as depicted in the respondents' exhibits (DE1-DE17). In the case of **Omary Ali Dodo vs. Air Tanzania Company Limited,** Lab Rev. 322/2013 where the word consultation was given the following meaning;

"....The employer and the other consulting parties must engage in a meaningful joint consensus seeking process and attempt to reach consensus,......for the process to be meaningful it must not be a mere sham a going through the motions......"

Considering the documentary evidence and even the testimony of PW1 (DE3) as well as the letter dated 11<sup>th</sup> September 2020 addressed to CHODAWU Regional Secretary (DE2). I am therefore of the view that,

there was sufficient notice, consultation followed by meetings between the employer and employees and meaningful consensus was reached by the parties. Subsequently, the applicants were paid as per the agreement save to admitted miscalculations. If the CHODAWU-Region office had different view, it would communicate with its field branch and make necessary directives.

I have further considered, the prevailing situation, worldwide spread of the Pandemic Decease, at the time impugned retrenchment occurred. What the respondent did is nothing but substantive compliance with the requirement of the law, the required compliance which does not need to be in every procedural aspect or to be ascertained in a checklist fashion. it suffices to look at substantive compliance of the requirement provided by the law. In **Terevael M. Ngala mi vs. Kampuni ya Simu (T) TTCL**, Civil Appeal No. 158 OF 2017 (unreported, the Court of Appeal of Tanzania had these to say;

"In the end, we think the whole thing is more a question of semantics than substance, considering that, for all intents and purposes, despite the respondent's refusal to accede to the request for voluntary retrenchment, the appellant achieved the same thing through termination considering the respondent's internal memorandum dated 12/12/2005 which specified the terms of termination in line with the voluntary agreement".

In our present dispute and guided by the above principle, I am of the firm view that, the applicants were substantively involved in the retrenchment exercise and given the fact that, there was valid and real reason of doing so. More so, the applicants were accordingly paid their terminal dues except the arrears due to admitted miscalculations. The 2<sup>nd</sup> ground for the sought revision is likewise dismissed.

In the event, I find no merit of this application and I proceed dismissing it entirely. The CMA's award is confirmed. As this application arises from a labour dispute, I make no order as to costs.

Ordered accordingly

**DATED** at **ARUSHA** this 14<sup>th</sup> day of November, 2022.

I. R GWAE

Court: Right of appeal to the Court of Appeal fully explained

M. R. GWAE

14/11/2022