






**LYSON LAW GROUP**  
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# **AN EXPOSITORY APPRAISAL OF THE 2025 AMENDMENTS TO THE LABOUR LAWS IN TANZANIA**



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## 1.0 INTRODUCTION

The Labour Laws (Amendments) Act, 2025, enacted by the Parliament of the United Republic of Tanzania and assented to on 4 March 2025, introduced significant changes to the Employment and Labour Relations Act [Cap 366 R.E. 2019] and other related labour laws, including the Non-Citizens (Employment Regulation) Act, 2015. Below is a clear and structured walkthrough of the key amendments and their new provisions, based on available information.



## 2.0 KEY AMENDMENTS AND NEW PROVISIONS

### 2.1 EXPANDED SCOPE OF FIXED-TERM CONTRACTS

The amendments broaden the scope for using fixed-term contracts by removing the previous restriction that limited such contracts to employees in professional or managerial cadres. Now, fixed-term contracts can be used for a wider range of employees.

Employers have greater flexibility in hiring for specific periods, which may benefit industries with project-based or seasonal work. Employees may face less job security unless contracts are renewed.

### 2.2 CHANGES TO EMPLOYMENT CONTRACTS IN BUSINESS TRANSFERS

**Provision:** When a business is transferred as a going concern, the retirement age stipulated in an employment contract will now transfer and apply to the new employer.

This ensures continuity of agreed retirement terms for employees during business mergers or acquisitions, protecting workers from arbitrary changes to retirement conditions.

### 2.3 ENHANCED DISPUTE RESOLUTION PROCESSES

#### I. MANDATORY IN-PERSON MEDIATION.

Parties to a labour dispute are now required to attend mediation sessions in person. However, if unavoidable circumstances prevent attendance, a party may appoint a representative in writing to attend on their behalf.

This aims to improve the effectiveness of mediation by ensuring direct engagement, though it accommodates flexibility for exceptional cases.

## **II. ARBITRATOR'S AUTHORITY**

Arbitrators are empowered to issue awards based on claims admitted by either party during the dispute resolution process.

This streamlines dispute resolution by allowing quicker resolutions where parties agree on certain claims, reducing the need for prolonged arbitration.

## **III. ELECTRONIC SERVICE OF DOCUMENTS**

Documents in labour disputes can now be served electronically or through a process server when directed to a company.

This modernizes and simplifies administrative processes, reducing delays in serving legal documents.

### **2.4 ADJUSTMENTS TO LEAVE POLICIES**

The amendments include changes to leave policies, including types of leave and durations.

Employers must review and update workplace leave policies to comply with the new provisions, which may affect annual leave, maternity leave, or other entitlements.

### **2.5 TERMINATION PROCEDURES**

The amendments introduce changes to termination procedures, potentially affecting notice periods, grounds for termination, or severance obligations. These changes are noted as significant.

Employers need to ensure compliance with updated termination rules to avoid unfair dismissal claims, while employees may gain clearer protections provided that they act within the law.

### **2.6 EMPLOYER OBLIGATIONS**

The amendments impose new or revised obligations on employers, related to compliance with employment contracts, workplace policies, and dispute resolution processes.

Employers must update internal policies and train HR teams to align with these obligations, ensuring legal compliance and reducing risks of penalties and/or litigation.

## 2.7 AMENDMENTS TO NON-CETIZENS (EMPLOYMENT REGULATION) ACT, 2015

The Labour Laws (Amendments) Act, 2025, includes changes to the Non-Citizens (Employment Regulation) Act, 2015. Previous amendments in 2021 introduced measures like electronic work permit systems and increased flexibility for investors to employ non-citizens (up to 10 without restrictions).

These changes are likely continue to streamline work permit processes or adjust conditions for non-citizen employment, balancing investor needs with local job protection.



### 3.0 IMPLEMENTATION AND COMPLIANCE

Effective Date of the Labour Laws (Amendments) Act, 2025, having been assented to on 4 March 2025, and its provisions are presumed to be in effect unless otherwise specified.

Employer Actions the present context:

- ✔ Review and update employment contracts to reflect the expanded scope of fixed-term contracts and retirement age provisions.
- ✔ Revise workplace policies on leave, termination, and dispute resolution to align with the new rules.
- ✔ Train HR and legal teams on electronic document service and mediation requirements.
- ✔ Ensure compliance with non-citizen employment regulations if hiring foreign workers

Employee Awareness is also key thus employees should be informed of their rights under the new provisions, particularly regarding mediation, termination, and leave entitlements.





#### 4.0 LASER FOCUSED HIGHLIGHTS THE TRANSFORMATIVE NATURE OF THE AMENDMENTS.

1. **Extended Maternity and Paternity Leave:** Mothers of premature babies now receive maternity leave up to 40 weeks post-birth, and fathers get 7 days of paternity leave, enhancing family support and infant care.
2. **Fair Disciplinary Procedures:** Employers are prohibited from initiating or continuing disciplinary actions against employees when a dispute is under review by the Commission or Labour Court, ensuring fair treatment.
3. **Unpaid Emergency Leave:** Employees can take up to 30 days of unpaid leave for personal emergencies, with possible extensions upon mutual agreement, promoting work-life balance.
4. **Emergency Operations Agreements:** Employers and employees must establish agreements to manage workplace safety and operations during emergencies, such as infectious disease outbreaks, ensuring preparedness.
5. **Enhanced Compensation for Unfair Termination:** Compensation for unfair termination is now categorized, with a maximum of 24 months' remuneration for cases involving discrimination or harassment, strengthening employee protections.
6. **Support for Fixed-Term Contracts:** Arbitrators can order employers to compensate employees for the remaining term of a breached fixed-term contract, upholding contractual obligations





## 5.0 CONCLUSION

The Labour Laws (Amendments) Act, 2025, updates Tanzania's labour framework by enhancing flexibility in employment contracts, streamlining dispute resolution, and updating administrative processes.



Employers must adapt to these changes to ensure compliance, while employees benefit from clearer protections in mediation, termination, and business transfers. For further information, consult Lyson Law Group.

## REFERENCES

- i. *Employment and Labour Relations Act [Cap 366 R.E. 2019]*
- ii. *The Labour Laws (Amendments) Act, No.4, 2025*
- iii. *Non-Citizens (Employment Regulation) Act, 2015*



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