

Wage increase for hospitality sector

PRETORIA: The minimum wage in the hospitality sector has been increased from 1 July 2014. The new wage adjustments will be applicable until 30 June 2015.



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The Labour Department explained that in terms of the sectoral determination - which prescribes minimum wage rates and conditions of employment in the sector - the new rate increases are demarcated into two categories.

"For employers with 10 or less employees, the new minimum monthly rates will increase from R2415.86 (2013/14) to R2601.88 in (2014/15).

"Weekly rates will increase from R557.55 (2013/14) to R600.48 (2014/15), while hourly rates will be adjusted from R12.39 in (2013/14) to R13.34 in (2014/15).

"The minimum wages for employers with more than 10 employees, the minimum monthly rates will increase from R2692.74 (2013/14) to R2900.08 in (2014/15); weekly rates will increase from R621.45 (2013/14) to R669.30 (2014/15) and hourly rates will be adjusted from R13.81 in (2013/14) to R14.87 in (2014/15)," the department said.

The hospitality sector covers any commercial business or part of a commercial business in which employers and workers are associated for the purpose of carrying on or conducting one or more activities for reward.

Among these include those that provide accommodation and/or prepare, serve or provide prepared food or liquid refreshments, drinks other than in sealed bottles or cans whether indoors or outdoors or in the open air, for consumption on or off the premises in a hotel, motel, inn, resort, game lodge, hostel, guest house, guest farm or bed and breakfast establishment.

It also includes short stay accommodation, self-catering, time shares, camps, caravan parks, restaurants, pubs, taverns, cafés, tearooms, coffee shops, fast food outlets, snack bars, industrial or commercial caterers, function caterers, contract

caterers and includes all activities or operations incidental to or subsequent on any of the activities mentioned above.

The hospitality sector excludes workers and employers involved in the trade of letting of flats, rooms and/or houses. It also excludes all workers and employers covered by another sectoral determination in terms of the Basic Conditions of Employment Act. It further excludes areas that are covered by a statutory council or a bargaining council.

According to the department, the current wage increases have been determined by using the consumer price index of 6.2% (excluding owners' equivalent rent) reported by Stats SA on the 23 April 2014.

"The minimum wage increases are therefore determined by adding 6.2% plus 1.5%, as stated in the current sectoral determination. The total increase is 7.7%," the department said.

SADC labour meeting

Meanwhile, South Africa's Labour Deputy Minister, Patekile Holomisa is leading a South African delegation to the Southern African Development Community (SADC) extraordinary meeting, which brings together ministers and social partners responsible for employment and labour.

The two-day meeting of ministers and social partners takes place from 10-11 July in Victoria Falls, Zimbabwe. The meeting will be preceded by a meeting of senior officials and social partners, which started on Monday.

Some of the issues to be discussed include the Report on Implementation of the SADC Labour Migration Action Plan, Consideration of Draft SADC Labour Migration Policy Framework, Consideration of the Draft Code on TB in the Mining Sector and Implementation of the SADC Decent Work Programme 2013-2019: Draft SADC Decent Work Monitoring and Evaluation Tool, and youth employment promotion, amongst others.

The meeting brings together ministers, government officials and representatives of employers and workers from the SADC member states. It will also provide an opportunity to ministers to conclude national and regional consultations of the Revised SADC Regional Indicative Strategic Development Plan (RISDP) 2015 - 2020.

The meeting is to follow up on the Council's directive of August 2013 taken in Lilongwe, Malawi, that the revised RISDP be finalised and cleared by the respective policy structures of SADC.

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