

Advocacy campaign to raise awareness on minimum wage

Deputy President Cyril Ramaphosa says an intensive advocacy campaign will soon be launched to help different sectors of the economy get a better understanding of the recently announced National Minimum Wage.



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The Deputy President said this when he fielded oral questions in the National Council of Provinces in Cape Town on Wednesday, 15 March 2017.

He said the advocacy campaign formed part of a number of agreements that social partners at the National Economic Development and Labour Council (Nedlac) signed off on.

"...They [social partners] also agreed that implementation of the [National Minimum Wage] would be accompanied by an intensive advocacy campaign, where we are going to raise the level of knowledge and understanding not only of employers but also of those that are supposed to enjoy this right – the working people themselves," he said.

Implementation

Ahead of President Jacob Zuma's State of the Nation Address in February, the Deputy President announced that from 1 May 2018, a minimum wage of R20 per hour, or R3,500 per month for those that work a 40-hour week, would be introduced after years of deliberations.

He said at the time that the minimum wage would be phased in, in a manner that does not impact negatively on jobs, and that businesses would be able to come forward to apply for temporary exemptions.

Addressing Members of Parliament on Wednesday, the Deputy President said in preparations for discussions at Nedlac, the Department of Labour commissioned a research report that looked at, amongst others, the resources as well as the organisational capacity to monitor and to enforce compliance for the minimum wage.

He said the Department of Labour has been very proactive in that they have been able to forecast how best the minimum wage can be implemented and to ensure universal compliance.

The Deputy President said during this process, the department found that there were a number of challenges and issues that they need to address in their research work ahead of the implementation.

Inspectors

"They found that the quality and availability of inspectors was a challenge and this they have owned up to themselves.

"The international labour organisation reported in 2009 that 60% of labour inspectors in South Africa have a level of education which at the moment may not enable them to execute the task as well as they want to and therefore they need to be provided with additional skills so that they are able to enforce the minimum wage," he said.

The department also found that South Africa has about 1,056 inspectors that are stationed at 128 labour offices across the country, the Deputy President said.

He said while this is sufficient when benchmarked against the International Labour Organisation standards, the distribution of these inspectors is skewed both regionally and sectorally.

Wage violations

"They also found that the lack of awareness of the existing minimum wages results in violations and let's remember that there are a number of minimum wages that have been set up through sectoral determinations.

"If the National Minimum Wage is going to be successful in terms of how it will be implemented... it is going to have to be implemented by employers and it is to this end that we want to see employers becoming compliant and implementing it to good effect," he said.

The Deputy President said social partners at Nedlac agreed on a number of measures that are going to promote universal compliance by companies.

This includes an agreement by social partners to establish the National Minimum Wage Commission. The commission will regularly review the impact of the minimum wage on employment, on income levels and also on poverty so that any adverse effect or impact can be identified and addressed as soon as possible.