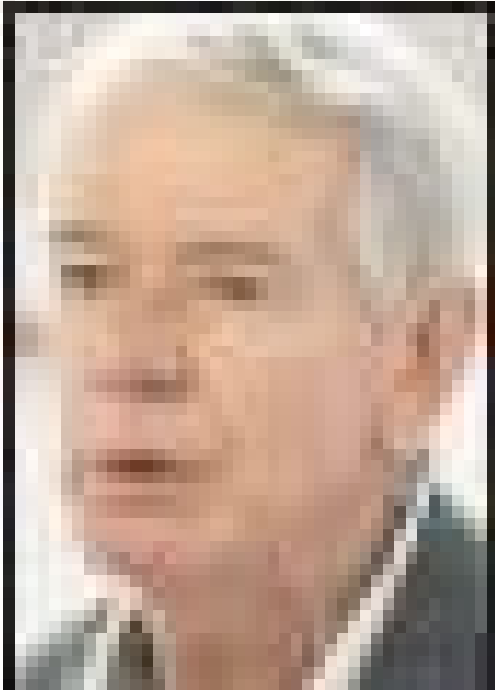


Minimum wage: Cronin warns of job losses

Rapule Moatshe



JEREMY CRONIN

PUBLIC Works Deputy Minister Jeremy Cronin said the implementation of the national minimum wage policy to the Expanded Public Works Programme could result in at least 300 000 beneficiaries losing their work.

The minimum wage policy stipulated that employers were legally obliged to pay at least R20 per hour to their workers.

The programme's rate stood at R9.28.

Deputy President Cyril Ramaphosa announced last month that the national minimum wage policy would come into effect in May next year.

But the threshold of R3 500 would not be affordable to the government if it were to be applied to the public works programme, Cronin said.

"It is not going to work. These are the radically unemployed, not in the labour market," he said.

Cronin was speaking at the opening of the five-day training workshop for government and non-governmental offi-

cial in Pretoria yesterday.

The workshop is aimed at empowering officials with knowledge to assist them to effectively manage the programme.

Cronin said the intention of the programme was to deal with chronic poverty and unemployment.

"The Freedom Charter says everyone has the right to work, but to implement that in our country is very difficult," he said.

He lauded the programme for its positive impact on the lives of people in the country by citing the 2011 statistics by Statistics SA, which showed that 12.4% of people who had previously participated in the programme had permanent jobs.

The statistics also showed that 4.8% of former beneficiaries ended up starting their own businesses.

"Half of them have temporary work like plumbing," Cronin said.

He said the programme had also assisted in mitigating against protests in the country.

He said it was a government programme aimed at creating more than 6 million work opportunities for the poor by 2019.

More than 70% of public works beneficiaries had qualifications below matric, he said.

"All our beneficiaries should have work experience and some rudimentary skills. Training is very important," said Cronin.