

# Minimum wage persecution

## OPINION

Terry Bell

**I**T will probably be a year before the minimum wage bill passes through South Africa's National Council of Provinces and becomes law. By then, especially taking account of the one-per-cent VAT increase and the hike in the fuel levy, the living costs of lower-paid workers will have risen greatly.

Supporters of the measure tend to stress R3 500 a month as the proposed minimum income, with President Cyril Ramaphosa saying that more than six million workers are paid less than this. Therefore, it is argued, this large group stands to benefit from the legislation. But this is an illusion since many, perhaps most, workers earning less than R3 500 a month are in domestic employ. And the new law puts their hourly minimum at R15, a sum slightly less than the existing minimum set by ministerial determination for workers in major areas.

Most domestic workers are also not in full-time work; many labour for two or three employers and often, on average, for a total of perhaps three or four days a week. Under the proposed new dispensation, even a 40-hour, five-days-a-week job would mean just R2 400 a month.

Then, of course, there are those poor souls given temporary jobs as part of the Extended Public Works Programme. Their minimum — in fact, actual — income is set at R11 an hour. This works out at R88 a day or R1 760 a month.

Looked at in this way, it is no wonder there is such an outcry about the new proposals amounting to “poverty wages” that entrench income inequality. And, as even the Democratic Alliance has pointed out, these minimums are unlikely to be policed; and that our “fancy labour laws” are hardly monitored, let alone enforced. It is another case of an ad hoc measure, apparently deviating somewhat from the agreements reached with labour and others in the tripartite National Economic and Development Council. It will do nothing to alleviate poverty, let alone create more jobs.

Yet in one area many workers — often retrenched as the wealth, wage and welfare gap has widened — have created jobs for themselves in a way that is beneficial to society. But they often suffer harassment for it. These are the waste pickers, who wheel their trolleys through the highways and byways, salvaging “rubbish that is not rubbish” from the bins and dumps of a throw-away society.

The term “rubbish that is not rubbish” comes from the city of Curitiba in Brazil which pioneered the rapid bus transport system adopted in Johannesburg and Cape Town as well as other cities around the world. But Curitiba, facing similar problems to many SA cities, in 1971 developed an holistic approach; it involved transport and job creation coupled with education, better nutrition in disadvantaged communities, and an overall cleaner, “greener” environment.

With the population encouraged to sort their waste, one of the central pillars of this development involved waste pickers. They were provided with better, more efficient trolleys and were reward-

ed at a premium in bus tickets to be sold on to commuters, so encouraging greater use of the then new transport system.

A non-profit sorting centre — there are now more than 100 collection centres in Curitiba — was also set up by the council in a disused factory where 200+ workers, paid 15% more than the minimum wage, with medical and dental benefits, sort the waste. That which cannot be repaired or used within the plant to manufacture everything from plastic chairs to handbags, is sold on. The centre also provides education and training, in a city where 70% of all waste is now recycled. A further development came with the introduction of Camio Verde (Green Exchange). Under this programme, residents in informal settlements are given one kilogram of fresh produce for every four kilograms of waste. This is to encourage small-scale farmers, and takes up surplus agricultural production to provide access to better nutrition. Which is not to say that Curitiba, now regarded as the “greenest city on Earth”, has solved its problems.

Nor has everything always gone smoothly with the innovations. Its success has seen a huge influx of people, with the population more than quadrupling to nearly four million in 10 years.

However, an integrated approach, based on the needs of people, has clearly worked. But, as architect Jaime Lerner, a former mayor of Curitiba and the driver behind the initial innovations said: “It requires political will.”

To which I would add: and foresight that is, at the moment, clearly lacking.

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