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Domestic, farm workers get more rands per hour

By Marlan Padayachee

Domestic helpers, gardeners and farm workers will be receiving many more rands per hour in their brown pay slips after the ANC-led government finally legislated the National Minimum Wage for the country's millions of working-class citizens.

The good news, coming at a time when workers are struggling to keep pace with the high cost of living expenses, bank interest rates, exorbitant cost of municipal services and the annual expenditure of school clothing and fees, came from the ANC Employment and Labour Minister, Thulas Nxesi.

The National Minimum Wage (NMW) for 2024 has been determined with an increase from R25.42 to R27.58 for each ordinary hour worked, which comes into effect on 1 March. Employers will have to cough up R220.64 a day for an eight-hour shift, with a weeklong payroll of R1 103.20.

The NMW was first implemented in 2019 at a minimum of R20 per hour and it is enforced by labour law, with violations subjected to fines.

However, the new pay-per-hour deal will not include the army of jobless corp who are employed on the government's Expanded Public Works Programme and workers with learnership agreements in terms of the Skills Development Act, who will receive R13.97 per hour.

Legislation says that this batch of workforce is entitled to a minimum of R15.16 per hour from R13.97, as well as workers who have completed learnership agreements. "The NMW will also increase in other sectors of the labour and job markets," the minister said.

The long-running NMW issue may not sit well with hard-pressed employers, businesses and especially householders, as many maids and gardeners were laid off during the cash crunch, no-work era of the Covid-19 pandemic.

The National Minimum Wage Act, which covers all employers, will not benefit civil servants employed in the South African National Defence Force, the National Intelligence Agency and the South African Secret Service.

However, some labour experts and brokers say the new minimum wage will give the working-class some breathing space and more leg room to keep abreast with the rising cost of living and will enjoy extra money power to pump into SA's sagging economy.

Meanwhile, money is becoming more expensive to borrow from banks, while recent statistics have revealed that almost 75% of employees are spending their take-home pay on debt.

Research by the South African Reserve Bank and Statistics South Africa (StatsSA) has revealed that consumers were spending three-quarters of their salaries and wages on refinancing debt, and has issued a warning to consumers to take serious note of these startling statistics of their debt commitments before leaping into a shopping frenzy.

Household's debt decreased to 62% of gross income in 2022 from 66.10% in 2021, while it averaged 52.63% from 1969 to 2022, but reached an all-time high of 77.60% in 2008 and a record low of 36% in 1969.

"The NMW is the minimum amount of pay that an employer is legally required to remunerate employees for work done. The amount does not include payment of allowances such as transport, tools, food or accommodation payments in kind, board or lodging, tips, bonuses and gifts, among others. The National Minimum Wage is the floor level below which no employee should be paid," said Teboho Thejane, the department's spokesperson.

For details regarding learnership, sectoral determination, contract cleaning, wholesale and retail sector employees, visit the department's website: www.labour.gov.za.