

Introduction of National Minimum Wage delayed

Labour Minister Mildred Oliphant says implementing the National Minimum Wage by 1 May 2018 will not be possible.

Briefing the media in Cape Town on Monday evening, the Minister said the delay was due to the fact that Parliament won't be able to finalise the Bills aimed at implementing the new policy by that date.

This was due to the fact that the Bills were only referred to Parliament in November 2017 and this has not allowed sufficient time for Parliament to process the Bills.

“We are aware that interested parties have been making submissions on these Bills and it has become apparent that the ambition for the National Minimum Wage Bill to become law by 1 May 2018 may not be practical given the high volumes of public submissions both written and oral,” the Minister said.

The Labour Relations Amendment Bill and the Basic Conditions of Employment Bill contains amendments that are consequential to the National Minimum Wage Bill and the agreed Code on stabilising the labour relations environment in South Africa.

Over and above this, social partners reached an agreement at NEDLAC that contains a Code of Good Practice on Collective Bargaining, Industrial Action and Picketing.

The Code provides practical guidance on collective bargaining, the resolution of disputes of mutual interest, the resort to peaceful industrial action and picketing processes.

The Accord on Collective Bargaining and Industrial Action commits social partners to take all steps necessary to prevent violence, intimidation and damage to property.

It also seeks to improve the capacity of the social partners and other agencies to resolve disputes peacefully and expeditiously.

The Bills propose that the National Minimum Wage be set at R20 per hour and be reviewed annually.

The minimum wages for domestic and farm workers will initially be set at R15 and R18 an hour respectively. This will be adjusted to be brought on par with the National Minimum Wage within two years of its implementation.

After the feasibility of introducing the National Minimum Wage was first announced by former President Jacob Zuma in 2014, current President Cyril Ramaphosa, who at the time led the process as the Deputy President, announced in February last year that social partners had reached an agreement on the national wage.

The Advisory Panel, which was set up to examine the second phase of work on the Minimum Hours of Work, completed its assignment in June 2017.

Briefing journalists, the Minister said the National Minimum Wage Bill, together with the Labour Relations Amendment Bill and the Basic Conditions of Employment Amendments Bill, were referred by Cabinet to Parliament in November 2017.

“The Portfolio Committee has drawn up its own programme on how to consider the Bills, including conducting their own public hearings. The process is now entirely in the hands of Parliament.

“At this stage we must all accept and allow the Parliamentary processes to unfold without any undue interference. All the Bills are now under the authority of Parliament and those who have views and opinions on the Bills will have to approach Parliament as we, the Executive, no longer have control of these processes,” she said.

Parliament is currently conducting public hearings on the Bills and will thereafter consider oral and written submissions.

The Bills will then be revisited with a view of making any changes based on submissions, before Members of Parliament deliberate on them. This will culminate into a vote on the Bills being submitted to the National Assembly and the National Council of Provinces before being sent to the President to sign them into law.

However, with Parliament set to go into recess this week, the Minister said it was unlikely that the processes would be concluded by May 1 as Members of Parliament are likely to return to Cape Town towards the end of April.

The Minister also said that she has briefed President Ramaphosa of this delay in a meeting with him on Friday.

“It is for these reasons that the observation coming out of the current processes is that it may not be possible to conclude all these processes in time for implementation on 1 May 2018 as initially envisaged. You will know however that the 1 May 2018 implementation ambition has always been subject to the completion of the parliamentary processes.” – SAnews.gov.za

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