



5 DECEMBER 2018

EMPLOYMENT ALERT

IN THIS ISSUE

INCREASED MINIMUM WAGE FOR DOMESTIC WORKERS

The minimum wage for domestic workers was increased from 3 December 2018. This is as a result of an amendment to the sectoral determination which establishes minimum wages for employees in the Domestic Worker Sector. Employers paying below the minimum wage will have to increase the amount that they pay domestic workers.

INCREASED MINIMUM WAGE FOR DOMESTIC WORKERS

Domestic workers working in Area A that work more than 27 ordinary hours per week must be paid a minimum of R13.69 per hour.

The National Minimum Wage Bill provides for the introduction of a minimum wage which was supposed to come into effect on 1 May 2018.



The minimum wage for domestic workers was increased from 3 December 2018. This is as a result of an amendment to the sectoral determination which establishes minimum wages for employees in the Domestic Worker Sector. Employers paying below the minimum wage will have to increase the amount that they pay domestic workers.

As a result of the amendments, domestic workers working in Area A (bigger metropolitan areas) that work more than 27 ordinary hours per week must be paid a minimum of R13.69 per hour. For a domestic worker who ordinarily works 45 hours per week, this will equate to approximately R2669.24 per month. Workers in Area A that work less than 27 hours per week, must be paid a minimum of R16.03 per hour.

Domestic workers who work in Area B (those areas not listed in Area A) for more than 27 ordinary hours per week must be paid a minimum of R12.47 per hour. This will amount to approximately R2431.97 per month for domestic workers who work 45 ordinary hours per week. Domestic workers in Area B who work 27 hours or less per week must be paid a minimum R14.72 per hour.

The National Minimum Wage Bill (Bill) on the other hand provides for the introduction of a minimum wage which was supposed to come into effect on 1 May 2018. In terms of the Bill, initially, the minimum wage for domestic workers will be R15 per hour. The initial R15 hourly rate in the bill is higher than the hourly rate of R13.69 for Area A and R12.47 for Area B for domestic workers working more than 27 ordinary hours per week.

The Department of Labour published a media statement stating that the amended minimum wage figures in the sectoral determination "...will be offset by the introduction of the National Minimum Wages for domestic workers..." and that "all wages for domestic workers during the period of the [national minimum wage] will be set at R15 for both local (Area B) and greater metropolitan (Area A) areas.



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INCREASED MINIMUM WAGE FOR DOMESTIC WORKERS

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The Bill has been approved by Cabinet and has been tabled in Parliament.



However, the wages for domestic workers in local and rural areas who work 27 ordinary hours per week or less, will be slightly over the R15/h proposed by the [national minimum wage].”

The Bill has been approved by Cabinet and has been tabled in Parliament. As it stands, the amended sectoral determination sets out the minimum wages for domestic workers and this will result in employers paying increased salaries in circumstances where they are not complying with the amended sectoral determination.

This may however not be the last time employers will have to increase the amount that they are paying domestic workers. With the national minimum wage a step closer, employers may in the near future have to once again evaluate whether they are compliant with the minimum wage and increase the amounts they are paying domestic workers.

Aadil Patel and Tamsanqa Mila



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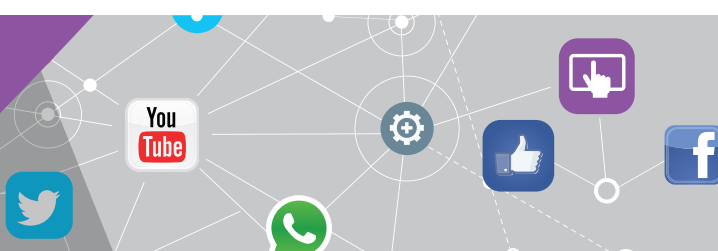
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