

EMPLOYMENT

INCREASE IN DOMESTIC WORKERS' MINIMUM WAGE

On 24 November 2014, Mildred Oliphant, Minister of Labour announced an increase in the minimum wage payable to domestic workers in South Africa. The amendment is with effect from 26 November 2014.

The minimum wage is prescribed in terms of Sectoral Determination 7: Domestic Workers Sector, South Africa which establishes the basic conditions of employment for domestic workers. 'Domestic worker' is defined to include any domestic worker or independent contractor who performs domestic work in a private household and who receives, or is entitled to receive, pay and includes a gardener, a person employed by a household as a driver of a motor vehicle, a person who takes care of children, the aged, the sick, the frail or the disabled or a domestic worker employed or supplied by employment services.

The Sectoral Determination prescribes minimum wages for two areas, namely Area A and Area B and municipal boundaries have been used to distinguish between the two areas. Area A includes all urban areas with Municipalities such as the City of Cape Town and the City of Tshwane. Area B includes those municipalities not included in Area A.

The increased minimum wage is as follows:

It is important to note that the Sectoral Determination includes the minimum wage increase for the following two years by prescribing a formulation with reference to the consumer price index (CPI). Previously, the minimum wage was calculated by adding CPI + 1% or CPI + 2% to the previous year's minimum wage. In terms of the amendment, the percentages which must be added to CPI vary between 2.5% and 4%.

In terms of the Sectoral Determination, employers are obliged to ensure that they remunerate their domestic workers in accordance with the minimum wages set out above.

Gillian Lumb and Anli Bezuidenhout

Minimum Wage	
Domestic Workers working in excess of 27 hours per week	Area A: R10,95 per hour / R2,065.47 per month
	Area B: R9,30 per hour / R1,812.57 per month
Domestic Workers working less than 27 hours per week	Area A: R12,40 per hour / R1,450.33 per month
	Area B: R10,98 per hour / R1,284.09 per month

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