

Delay in minimum wage 'necessary'

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The agreement to postpone the 1 May 2018 implementation of the national minimum wage was long overdue, stakeholders said on Thursday.



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Earlier this week stakeholders raised the alarm, warning that the bill was being rushed through Parliament and that it would result in legislation facing an onslaught of "winnable court challenges".

On Thursday, the acting chairwoman of the portfolio committee on labour, Sharome van Schalkwyk, agreed to proposals that the May 1 deadline set for the minimum wage implementation be pushed back to allow MPs time to consider more than 40 public submissions received on the draft legislation.

Members of the labour committee have committed to return to Parliament a week early from their Easter recess to deal with the legislation.

An agreement to introduce the national minimum wage was reached in February 2017 at the National Economic Development and Labour Council (Nedlac) following years of negotiations.

Co-director of the Institute for Economic Justice and former Cosatu lead negotiator on the national minimum wage Neil Coleman said although "sanity has prevailed" in reference to the postponement, the urgency was "completely manufactured".

"The symbolism of 1 May is significant but that is not the real issue. The issue is that there was lack of political will and decisiveness to bring the government and business negotiators to account," he said.

President Cyril Ramaphosa promised the nation during his state of the nation address in February that the national minimum wage would come into effect on 1 May.

Cosatu parliamentary coordinator Matthew Parks said the National Minimum Wage Bill, along with the Labour Relations Bill and the Basic Conditions of Employment Bill before the committee would have been easy targets for court action had more time not been allocated for the legislative process.

"We are happy with the extra time " If it is rushed, then Parliament will not have the time to make the changes we have been calling for.

"There was a gap that we felt if left untouched would have defied the point of the national minimum wage."

Coleman presented the first public submission to the labour committee on Thursday, where he informed MPs about the flaws in the wage bill.

These included a proposal to phase out sectoral determinations in three years, replacing them with bargaining councils and failure to include a resolution made at Nedlac to insert a provision stating that the minimum wage commission would implement annual increases to the R20 per hour rate, to compensate workers for inflation.

Source: Business Day