

Minister challenges unions on minimum wage issue

Labour Minister Mildred Oliphant has urged organised labour to be clear on the common ground for the framework of a national minimum wage, or be subject to the same risks of unclear majorities in current systems of collective bargaining that some employers are able to exploit.



(Image: GCIS)

Oliphant was speaking on the sidelines of a three-day meeting of the country's three main labour federations: the Congress of South African Trade Unions (Cosatu), the Federation of Unions of SA (Fedusa) and the National Council of Trade Unions.

The federations are discussing policy issues for the forthcoming year, including the move towards a national minimum wage and the effect of the Employment Tax Incentive bill.

Oliphant said the government was not in a position to bargain on behalf of labour.

A task team of the National Economic Development and Labour Council (Nedlac) constituents - headed by Deputy President Cyril Ramaphosa - is expected to report back on the technical aspects of how to implement a minimum wage in SA by July.

These technical aspects could include how to provide a balance between a national minimum wage, the existing system of sectoral determinations for vulnerable sectors and current collective agreements - as well as how to negotiate periodic increases.

Organised labour has long called for the minimum wage.

The matter was included in the African National Congress's election manifesto last year, after which President Jacob Zuma announced in his state of the nation address that he had tasked Ramaphosa with convening social partners under Nedlac to consider wage inequality and a national minimum wage.



(Image attribution: [\(WT-shared\) NJRZA](#) at [wts.wikivoyage](#), via Wikimedia Commons)

Fedusa general-secretary Dennis George said unions had to grapple with a wage system that had predictable inflation-linked increases that could lead to job losses and risked ignoring that the minimum wage was about addressing inequality.

Source: *Business Day*, via I-Net Bridge