



CASUAL WORKERS ADVICE OFFICE

18 September 2025

Employment Standards, Department of Employment and Labour
Private Bag X117, Pretoria, 0001

By Email: nmwreview@labour.gov.za

SUBJECT: JOINT SUBMISSION NATIONAL MINIMUM WAGE REVIEW 2026

The National Minimum Wage Commission invited the public to make written representation on the adjustment to the national minimum wage for 2026.

Please find attached the written Joint Submission on the NMW Review 2026 from the Campaign to Scrap the Labour Law Amendment Bills

This JOINT SUBMISSION is by 42 organizations and their names are attached to the written submission.

Regards


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SUBMISSION ON THE NATIONAL MINIMUM WAGE 2026 REVIEW

SUBMISSION BY

CAMPAIGN TO SCRAP THE LABOUR LAW AMENDMENT BILLS

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SUBMISSION DATE

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1. Introduction

This submission is made by the Campaign to Scrap the Labour Law Amendment Bills, a coalition of 42 organisations, including worker organisations, advice offices, trade unions, and community organisations. The list of organisations supporting and endorsing this submission can be found at the end of the submission

2. Problem Statement

2.1. Workers are still stuck in the cycle of cheap labour

- Workers are still stuck in the cycle of cheap labour and the NMW, instead of lessening, has deepened the social and economic inequalities in South Africa. Despite the introduction of the NMW in 2019, South Africa today remains the country with the highest income inequality in the world. The root cause of this inequality is an exploitative economic system of low wages for mainly black workers. Historically, South African capitalism required cheap black labour. Today that is still the case. This basic fact is reflected in the many social problems the country faces. Hunger, poverty, disease, crime, and want are all expressions of this basic fact.
- The National Minimum Wage (NMW) is intended to provide workers with a minimum standard of living but, as will be demonstrated, it fails to meet this basic level, let alone providing a decent living. The assertion of the NMW Commission that workers earn enough to maintain a decent standard of living is not borne out by the reality of workers.
- The Stats SA's poverty lines – i.e. the Food poverty line of R796 per person per month; the Lower-bound poverty line of R1 109 per person per month; the Upper-bound poverty line of R1 634 per person per month, on which the assertion of the NMW Commission is based, do not accurately reflect the needs of working-class households.
- Workers, and more specifically women seasonal workers face shorter contracts on more insecure terms, reduced working hours, and limited access to justice. The consequences are food insecurity, indebtedness, and ongoing cycles of poverty that undermine the very purpose of the NMW.
- The recent amendments to the **Code of Good Practice on Dismissals** create greater flexibility for employers to dismiss workers under operational requirements. For women seasonal farm workers

already facing insecure contracts, this represents an increased risk of arbitrary or unfair dismissal. Without stronger safeguards, the NMW provides only partial and temporary protection without meaningful job security.

- This submission highlights these realities, examines how institutional weaknesses exacerbate them, and proposes urgent reforms.

2.2. **Extremely Low level of the hourly NMW**

- The hourly NMW rate, despite moving from R20 per hour to R28,79 over the past five years, remains extremely low and is totally inadequate to meet the very basic needs of a working-class household. In fact, this extremely low hourly rate has been used by employers to drag down the wages of higher-earning workers. The NMW Commission's own report of 2025 shows that some bargaining councils (like the Furniture Bargaining Council) used the national minimum wage as the benchmark that a lowest paid employee would earn. Previously the minimum wage of a general workers was far higher than the NMW.
- Our experiences show that this downward variation of hourly wages is a common method of employers when employing labour broker workers. Client employers employ labour broker workers do the same work as permanent workers. Whilst the labour broker workers are doing the same work as permanent workers, they are paid the NWM hourly rate whilst the permanent workers are paid the applicable Bargaining Council. For instance, the minimum wage of a general worker under the Metal Bargaining Council (MEIBC) is R63,14 per hour, but the labour brokers working in the metal industry and doing the work of a general worker, are paid the NMW of R28,79. In this way employers secure cheap labour at 46% of the MEIBC hourly rate.
- The National Minimum Wage Act is not challenging the system of cheap black labour that South African capitalism rests on, it is entrenching it even further.

2.3. **Making the NWM an hourly rate is problematic**

- The current National Minimum Wage (NMW) of R28,79 is calculated on an hourly basis, assuming stable working hours and the premise that

all workers work a minimum of 40 hours per week. Many workers often work far fewer weekly hours than 40. In the rural areas, women seasonal farm workers are only employed for part of the year and do not earn enough to sustain themselves, especially during the off-season. Seasonal contracts are increasingly shorter, with many women employed for only a few weeks at a time.

- Farmers, for instance, further reduce costs by cutting women's working hours. While the NMW of R28.79 per hour (2025) sets a minimum hourly standard, reduced hours mean women often return home with less than half of what is required to sustain their households. Example: A woman working 3 days per week at 8 hours per day earns approximately R690 per week — i.e. less than R3,000 per month, far below the cost of a household food basket of R5380,62.
- A similar trend of seasonal work is increasingly discernible in the urban areas, where workers are only employed for a few days a month, especially those on zero-hour contracts. Labour broker, sub-contracted and workers on short term contracts often work variable hours and are therefore not earning a guaranteed monthly wage.
- In the absence of a guaranteed monthly minimum wage or guaranteed 40 weekly hours, the minimum wage of R28,79 per hour has no real value for many workers.

2.4. The level of the NMW is totally inadequate to meet the needs of workers

- If a worker is fortunate to work an 8-hour day for 20 days, the maximum they will earn is R4606,32, based on the NMW of R28,79 per hour. Most women seasonal farm workers earn about R2303,10 per fortnight¹, if they work 8-hour days for 10 days.
- The Pietermaritzburg Economic Justice and Dignity, in August 2025, calculated the average cost of the monthly Household Food to be R5 380,62 for a family of four. Many farm worker households, for instance, comprise, on average, six people, not four.
- What this shows is that NMW of R4606,32 does not even cover the basic food requirements of a working-class household. In fact, if we take the national minimum wage of R4606,32 and divide it by the

¹ These figures are based on the figures submitted by WFP's 2025 submission and make provision for the adjustment of the NMW from R27,58 to R28,79.

number of persons in a household of 4, then in August 2025, the NMW is R1151,58 per person. This is even below the upper-bound poverty line of R1 634 per person per month that the Commission relies on to adjust the level of the NMW.

- Besides food, families need money to pay for other basic needs, like electricity, water, household domestic and personal hygiene products. According to the Pietermaritzburg Economic Justice and Dignity the total average cost of basic household domestic and personal hygiene products is R1 026,36 per month. The NMW does not even cover this basic human need of domestic and personal hygiene products, let alone the working class's right to leisure and culture.
- Most farm workers, for instance, must buy electricity from the farmer themselves, not from the municipality or Eskom. They don't have a choice but to accept the farmer's inflated electricity prices, which are unilaterally set by the farmer. Electricity prices vary significantly across different farms. For instance, one farm charges R100 for 42 units, while another farm charges R250 for 60 units. However, there are instances when farm workers face financial constraints and resort to using wood fires for cooking outdoors.
- This profound inadequacy of NMW highlights the fact that a large segment of the working class, comprising approximately 5.4 million individuals, finds themselves perpetually trapped in a relentless struggle for survival. Many go to bed hungry or rely on money lenders, deepening their debt and perpetuating a cycle of poverty. Without a significant increase in the NMW, workers, especially farmwomen, will continue to live with a "hunger budget", which makes it impossible to cover food, let alone transport, electricity, school-related and healthcare costs.
- In engagement with women they speak movingly about their feelings of inadequacy and guilt by not being able to feed their children nutritiously. They routinely forego meals so that their children have the limited household food.

3. Cycles of indebtedness

- Workers are perpetually trapped in cycles of indebtedness due to their inability to sustain themselves solely on their wages. Due to their financial constraints and limited access to food before their next payday, workers resort to purchasing food on credit from local

shopkeepers. Workers resort to obtaining small cash loans from both formal and informal lenders to purchase essential groceries. Consequently, when they receive their next wage, they are compelled to prioritise debt repayment, resulting in a significant reduction in their disposable income.

- Furthermore, for precarious workers, who are not guaranteed fixed hours of work, their indebtedness levels tend to rise during the off-season when they are unemployed and primarily rely on social security grants.
- Workers are aware that prices are lower in supermarkets compared to local shops, and that supermarkets frequently offer “specials”. However, they are forced to buy at local (“spaza”) shops. This phenomenon of choosing to buy at spaza shops is discernible in both urban and rural areas. Buying from local spaza shops enables workers to obtain credit, to buy small quantities, and avoid the expense of travelling to town.

4. Limitations of the UIF for seasonal workers and zero-hour workers

- In contrast to permanent workers who are employed on a full-time basis, seasonal farm workers and zero-hour workers who only work for a few months each year can't earn enough credits to qualify for Unemployment Insurance Fund (UIF) payouts every year. Typically, a woman seasonal worker only accumulates enough credits every three years, resulting in a UIF payment every three years.
- The current UIF system assumes a system of permanent, full-time jobs, which doesn't work for people who work in agriculture seasonally or on zero-hour contracts. Employment is becoming increasingly precarious and insecure.

5. Cheap black labour and rights enforcement

5.1. Ineffective Inspectorate

- During the apartheid era, the labour inspectorate was grossly ineffective. It had no interest in enforcing labour rights, so the exploitative black labour system just kept going. The current situation has not improved at all. According to the 2025 Report of the NMW Commission, rates of non-compliance have increased to their highest level since the introduction of the NMW introduction. However, the

Commission provides not details of compliance or non-compliance and relies purely on an 'internal' department of employment and labour report.

5.2. Ineffectiveness of the CCMA

- In its 2025 submission to the NMW Commission the Casual Workers Advice Office (CWAO) requested the Commission to make available, not only the numbers of non-compliance, but also to provide the names of non-complying employers. The Commission failed to provide this basic information.
- The inference we draw from this reluctance is that Commission is probably hiding the extent of the problem of non-compliance and does not want to expose the total ineffectiveness of enforcement agencies. Moreover, the NMW Commission's 2025 Report contains no recommendations on how enforcement of the NMW can be improved.
- Whilst the CCMA was given powers to deal with disputes of non-payment of the NMW, currently 76% of the country's workers do not have the right to representation at CCMA hearings. Only registered trade unions are allowed representation at the CCMA and trade unions present only 24% of the workforce. According to the NMW Commission 88% of the 5,4 million workers (i.e. 4,8 million) who covered by the NMW are not members of unions and therefore do not have representations at the CCMA.
- Only after a CWAO labour court challenge, in September 2016 did the CCMA reluctantly agree to exercise discretion in granting non-union members the right to alternative representation. In the experience of the CWAO, other advice offices and NGOs supporting workers, this discretion is being exercised arbitrarily and irrationality. For most workers seeking enforcement of the NMW through the CCMA, alternative representation options are therefore severely limited.
- Moreover, with the cuts to the CCMA budget, and the resultant staff shortages and overwhelming caseload have resulted in severe backlogs and bottlenecks. The average time for a case to be resolved at the CCMA is 90 days. In our experience, employers often use this time to harass, intimidate and dismiss workers, especially migrant workers, seeking enforcement of the NMW. Women facing unfair dismissal or underpayment are forced to wait months, often abandon

their claims out of desperation. Women are thus denied access to justice and weakens the enforcement of the NMW.

- Employers are using their class power to simply ignore the national minimum wage. A national minimum wage that is not vigorously enforced is meaningless, regardless of the figure. The Commission has a stark choice before it: it can intervene in a way that challenges the cheap black labour system or it can intervene in a way that further entrenches that system. Whatever 2026 wage increase it decides on will be of no practical value to workers if the Commission continues to ignore non-compliance.

6. Recommendations

6.1. National Minimum Wage must be a Living Wage

- The Campaign calls on the Commission to enact **a guaranteed weekly or monthly minimum wage**, in addition to the hourly rate, and that this wage is a living wage. The introduction of such a guaranteed weekly or monthly minimum wage shall ensure that workers are not impoverished by reduced hours.
- The Campaign demands that the **NMW must be R12000 per month** as the national monthly minimum living wage.
- **Strengthen regulation of seasonal contracts** to limit exploitative short-term hiring and provide greater employment security.
- **Link the NMW to the Household Food Basket**, ensuring that wage levels reflect the real cost of living for working-class families.

Adjusting the nominal wage (NMW) in response to inflation rates is wholly insufficient to fundamentally shift away from a low-wage economy. We must say that even with this basic task of keeping the value of the NMW intact the Commission failed miserably. The real inflation experienced by lowly paid workers was 3,8%, according to the Commission's own research. But the NMW was only increased by 4,4%, meaning that the real increase was a mere 0,8%.

6.2. Mass consultations and Public Hearings

- The Campaign demands that the setting of the amount must involve workers through a process of mass consultations with the R12 000 per month **put to a popular vote**.
- The Campaign calls on the National Minimum Wage Commission to **hold public hearings** ahead of the 2026 Review of the NMW. Public hearings would give workers the opportunity to make oral submissions

which reflect their experiences. After all workers know their own needs and what realities they face.

6.3. There must be improved access to UIF Benefits for Seasonal Workers and Zero-hour workers.

- The UIF system needs to be changed to provide greater support for seasonal and zero-hour workers. The current “credits” system falls short when it comes to providing enough annual coverage for seasonal and zero-hour workers who only work for a short time each year.

6.4. Strict Enforcement of NMW Compliance and Work Conditions.

- The Department of Employment and Labour (DEL) must enforce the National Minimum Wage (NMW) more rigorously and **ensure compliance** with the conditions under which it is paid. Specifically, farmers who link the payment of the National Minimum Wage to the fulfilment of work targets should be held accountable and even face legal action.
- There should be clear guidelines to ensure that the NMW is paid without conditional or exploitative requirements. The DEL must **employ, train and equip a cadre of labour inspectors** to specifically and effectively implement the NMW and penalise non-compliance. It is only then that the benefits of the NMW will be realised by precarious workers, especially women seasonal farm workers. Without enforcement, these laws remain “paper rights” and do not improve the living conditions of workers.
- **Mandatory obligations on labour inspectors to consult** with and account to workers when workplace inspections are carried out.
- **Restore and increase CCMA funding** to address backlogs, bottlenecks, and ensure timely access to justice for vulnerable workers.

6.5. Publish information on non-compliance, enforcement and exemptions

- To ensure effective enforcement, the Campaign calls on the National Minimum Wage Commission to include the following information in its forthcoming report or as an annexure to the report.
 - The number of national minimum wage inspections carried out by the DEL inspectorate since the Commission’s last report.
 - A breakdown of sectors inspected.

- The level of compliance with the national minimum wage based on these inspections.
- The sectors which least complied.
- Publish a list of employers that have not complied
- The number of national minimum wage act compliance orders issued by the inspectorate.
- The number of national minimum wage referrals the DEL inspectorate made to the CCMA, if any.
- The number of such referrals that were resolved and how.
- The number of national minimum wage dispute referrals the CCMA received directly from workers in the period between NMWC reports.
- The number of disputes on the National Minimum Wage that the CCMA resolved and how these were resolved.
- The number of employers that applied for exemptions in this period and the sectoral breakdown of applications.
- Publish a list of employers that applied for exemptions and obtained such exemptions
- The number of exemptions that were granted and the sectoral breakdown.

6.6. Publish Written Submissions

The Campaign calls on the NWM Commission to **make available to the public all the actual written submissions** and not restrict the information to the number of submissions received. Such information would enable workers and organisations to gain an understanding of the different views and strategies of different class actors on how to address the issue of low-wage labour.

6.7. Make available information on Sectoral Determinations

The Campaign calls on the NMW Commission to indicate whether the forestry, hospitality and taxi sectoral determinations are still in effect. It appears that these sectoral determinations have become outdated and have effectively ceased to exist.

Sectoral determinations are very important because they go beyond the BCEA in setting minimum wages. They also include rights that are specifically tailored to the needs of different groups of workers, especially those who are the most vulnerable. Take the Farm Worker sectoral determination, for instance. It has some important provisions for housing that are not found in the BCEA or other sectoral determinations. If these sectoral determinations are repealed without putting any safeguards in

place to protect these workers, then workers' rights in these sectors will be seriously affected.

- 6.8. **Review the Code of Good Practice on Dismissals** to ensure that vulnerable workers are not disproportionately exposed to arbitrary termination.

Submitted by:

1. Africa Revival Foundation (ARF)
2. Azania Advisory Centre
3. Blaq Child Development Foundation
4. Central Karoo Farm Community Association (CKFCA)
5. Cry Excluded Youth of Delft
6. Eastern Cape Labour Community Media Forum
7. Food Sovereignty Campaign (FSC)
8. Housing Assembly (HA)
9. Human Rights Defenders Advice Centre
10. Kwakwatsi Community Advice Office (KWACAO)
11. Makhanda Labour Community Media Forum
12. Masiphakameni Local Development Agency
13. Metsimoholo Community Advice Office (MCAO)
14. Middelburg Development and Advice Office
15. Mining Affected Communities United In Action (MACUA)
16. Monametse Mokgotho Community Affected Forum (MMCEF)
17. Orange Farm Human Rights Defenders Advice Centre
18. South African Federation Trade Union (SAFTU)
19. Sovereign Agroecology and Food Empowerment (SAFE)
20. Sundays River Valley Workers Forum (SRVWF)
21. Surplus People Project (SPP)
22. Thlolong Legal Advice Centre (TLAC)
23. Unpaid Benefit Campaign (UBC)
24. Valley FM
25. Women on Farms Project (WFP)
26. Workers World Media Production (WWMP)
27. Casual Workers Advice Office (CWAO)
28. Simunye Workers Forum (SWF)
29. IZWI Domestic Workers Alliance
30. Nhlokomelele Ngwana Mosadi CBO
31. Are Aganeng Barulaganyi Women's and Children Empowerment
32. Basadi Foundation
33. Khanya College
34. Dukathole Youth Forum (DYF)

- 35. South African Care Workers Forum (SACWF)**
- 36. ILRIG**
- 37. Witzenberg Justice Coalition (WJC)**
- 38. Nkuzi Development Association**
- 39. Foundation for Human Rights (FHR)**
- 40. Maokeng Advice And Resource Centre (MARC)**
- 41. Solidarity Action Committee Collective**
- 42. GIWUSA**