

Casual Workers' Advice Office (CWAO)
press statement
1 March 2023
2pm

Casual Workers' Advice Office condemns miniscule increase to minimum wage



For comment please call:

Sydney Moshooliba, CWAO education co-ordinator on 072 5093587

The ANC government has once again acted as the party of the capitalist bosses by gazetting a miniscule increase of R2.23 per hour to the minimum wage.

The minimum wage increased today from R23.19 per hour to R25.42 per hour, except for Expanded Public Works Programme (EPWP) workers, whose minimum wage has increased from R12.75 per hour to just R13.37 per hour - a measly increase of just 62 cents per hour!

It is important to note that these are hourly increases and cannot be applied across a month. Tens of thousands of workers on the minimum wage are given less than eight hours work per day, and far fewer than five days per week or 22 days per month. This is particularly the case with casual workers, who can line up at the factory gate every day for years and never get a full month's work.

The new minimum hourly wage therefore cannot be read to mean a monthly wage of R4473, 92. It must also be noted that even if minimum wage workers were allocated a full month's work, their new minimum would still be R302 per month less than the price of a basic household food basket, which is R4775 per month (August 2022 Household Affordability Index) and would leave these workers with nothing to pay for rent, electricity, water, transport, medicines, school fees and clothing.

Formally, the R2.23 per hour increase amounts to a 9.62% increase and is above the current CPI of 6.9%. However, the CPI does not reflect the real cost of living of the working class and the poor. The structure and weighting system of the various items that make up the CPI do not correspond with the cost of living of the masses.

For instance, food inflation, which makes up a significant part of a worker's budget, is currently running at 13.4% as at January 2023. Prices of basic food items like maize meal increased by 36.5% and bread flour by 29.3%!!

With the R2.23 per hour increase, even a worker who works eight hours a day cannot even afford to buy an extra loaf of daily bread. EPWP workers who receive a miserable 62 cents per hour increase, will not be able to purchase anything much at all.

Many EPWP workers have been deployed for the past 14 years as casual street cleaning workers in townships, hired for just two days a week each, keeping the townships clean in the absence of a municipal workforce which has been whittled away by austerity budgets over the years. This means that in reality, there are many EPWP workers who earn just R856 per month for doing this valuable work.

The contention by employer organisations that the current R2.23 hourly increase to the minimum amounts to a 9.62% increase. The employer outcry about the latest minimum wage increase, which the Department of Labour also refers to as 'whopping' is nothing but a further political attack on the working class.

The small increase to the minimum wage reflects a weak and indifferent labour movement, not interested in organising low-wage or casual workers. The DEL is even less interested, to the point of being unable to furnish the National Minimum Wage Commission with enforcement statistics. Casual and short-term contract workers simply get fired or not hired again if they ask to be paid the minimum wage. The low minimum wage serves instead to drive down the wages of all other workers.

CWAO notes that the commercial farming sector reported record profits during Covid-19 yet have the gall to complain about having to pay farm workers an extra R2.23 as of today. As the 2022 farm workers' strike in the Eastern Cape's Sundays River Valley noted, many farm workers either get paid below the minimum wage or if they are paid the minimum wage, have their hours reduced by the commercial farmer employer.

The minimum wage has also never taken into account the apartheid wage gap which still needs to be closed 29 years after the end of apartheid. Once again, the very low increases to the minimum wages, in particular that of the EPWP, and the persistent low wages in the country, illustrate that the South African economy is still very much based on black cheap labour. The origins of the South African economy and its development were premised on the securing and exploitation of black cheap labour which took the form of slave labour, indentured labour, migrant labour and now in the 21st century taking the form of precarious and casualised labour.

The ANC government has been at the centre of securing the necessary supply of cheap labour through its labour laws that allow for an official poverty minimum wage and labour brokers. Its macro-economic policies facilitate the redistribution of economic wealth from the poor to the rich. Have we not seen the decline in company tax from 48% under apartheid in 1994 to the current rate of 27% under the ANC government?

It is absurd that in the context of billions of rands having been wasted since 1994 on repayment of the apartheid debt, Arms Deal corruption, the Gupta-related corruption, and the current Covid-19 tender corruption and Eskom and other SOE related corruption, that ordinary workers who support entire extended families on one very low wage, should accept an increase to the minimum wage of R2.23 per hour - barely enough if the workers are allocated 8 hours of work to buy an extra loaf of bread today!

It is obscene that billions are squandered while workers continue to live in poverty, unable to support their families. The ANC government is well aware that a living wage, as determined and demanded by the masses in struggle is the only minimum wage to offer workers in South Africa.

[ends]

www.cwao.org.za

Visit the Casual Workers' Advice Office:

**2 High Road
Georgetown
Germiston
South Africa**

**Tel: +27 (11) 873 0903
082 812 1934
076 551 7112**