

THE NATIONAL MINIMUM WAGE IN THE AGRICULTURE AND DOMESTIC WORK SECTORS

Report of a qualitative study of stakeholder
responses to the National Minimum Wage



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ABBREVIATIONS

Abbreviation	Full Name
AFRA	Association for Rural Advancement
BCEA	Basic Conditions of Employment Act of 1997
CCMA	Commission for Conciliation, Mediation and Arbitration
COVID-19	2019 Novel Coronavirus
CSDA	Centre for Social Development in Africa
DEL	Department of Employment and Labour
DPRU	Development Policy Research Unit
ESTA	Extension of Security of Tenure Act
GP	Gauteng Province
I	Interviewer
ILO	International Labour Organization
KI	Key Informants
KZN	KwaZulu-Natal Province
LP	Limpopo Province
MP	Mpumalanga Province
NMW	National Minimum Wage
R	Respondent
StatsSA	Statistics South Africa
UIF	Unemployment Insurance Fund
WC	Western Cape Province
WIEGO	Women in Informal Employment: Globalizing and Organizing

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EXECUTIVE SUMMARY

The introduction of the National Minimum Wage (NMW) in January 2019 was a significant policy intervention intended to address wage inequality and protect some of the most vulnerable workers in the labour market. This study focuses on domestic work and agriculture because these sectors continue to experience the lowest average wages. They are also subject to temporary exclusions from the NMW rate due to anticipated challenges in complying with the National Minimum Wage Act 9 of 2018. The National Minimum Wage Commission is mandated to review the situation of workers in these two sectors after a period of two years. Lastly, large numbers of casual and informal workers are employed in these sectors.

Understanding the perceptions and experiences of both employers and employees in these sectors is crucial to monitoring the implementation of the NMW, and in drawing out lessons about how changes in the NMW for these sectors are likely to be received. This qualitative study sought to elicit the voices of various stakeholders across these sectors – employers, employees, Department of Labour officials, and key informants – about the experiences of the NMW in the first year of its implementation.

STUDY AIMS AND OBJECTIVES

The aim of this study was to assess stakeholder experiences and responses to the introduction of the NMW in the domestic work and agricultural sectors.

The objectives were to:

- Assess knowledge of the NMW policy among workers and employers.
- Understand if and how the NMW influences wages and other working conditions (such as hours worked per employee, time spent on training, social benefits, casualisation).
- Assess compliance with the NMW policy.
- Analyse changes in workplace relations (for example, changes in productivity, in the frequency and intensity of workplace conflict, in production techniques, and in collective bargaining) and interpretations of how the NMW has affected this.
- Assess the perspectives of key informants in both sectors, including labour inspectors, policy makers, researchers, and representatives of organised labour and employers, on the above issues.

METHODOLOGY

A qualitative approach was employed to elicit in-depth and a more nuanced understanding of stakeholder perspectives of the issues at hand. Prior to the Covid-19 lockdown period, employees were engaged in both sectors in focus groups; and employers in in-depth interviews. Following the declaration of a state of disaster to curtail the spread of the Covid-19 pandemic and subsequent lockdown, telephonic interviews and or interviews via online platforms with both employers and employees were conducted. Key informants were also engaged in either face-to-face or telephonic discussions depending on when they were interviewed.

The research was conducted across five provinces. The selection of provinces was based on the national distribution of domestic workers and farm workers using the Quarterly Labour Force Survey data from the last quarter of 2017. In the Western Cape, KwaZulu Natal and Limpopo interviews were conducted with employers and employees across both sectors. In Gauteng, the focus was only on the domestic work sector, while in Mpumalanga, we engaged stakeholders in the agriculture sector. In total 47 stakeholders in the agriculture sector and 53 in the domestic work sector were interviewed. Three labour inspectors and seven key informants including academics and researchers, as well as representatives of employers and employees in the sectors were interviewed.

Data was analysed thematically using a deductive approach. Several members of the research team were involved in the analysis and compared interpretations of the data in order to improve the trustworthiness of the analysis. The study received ethical approval from the University of Johannesburg's Faculty of Humanities Ethics Committee, indicating that it adhered to all ethical requirements. Names of employees, employers and labour inspectors have been changed to protect their identity. Key informants consented to their names being made public but their responses were anonymised in the body of the report.

FINDINGS

KNOWLEDGE AND PERCEPTIONS OF THE NMW

In the domestic work sector there was mixed knowledge about the NMW. Most employers knew of its existence but were not clear on the level it was set at and what the temporary exclusions meant. Most domestic workers were not knowledgeable about the NMW policy and felt a sense of powerlessness about their rights and in negotiating their working conditions. We found that there was a marked difference amongst those who belonged to unions or worker representative groups who were far more aware of the NMW and their rights more broadly.

Both workers and employers held the view that the NMW was not a living wage – for workers, they wanted to be recognised on par with other workers while for employers, there was also a recognition of affordability with regard to the level of the NMW and an appreciation of the value that domestic workers bring to their households and lives. Importantly, there was acknowledgement of the desirability of the NMW amongst employers, despite concerns about affordability.

In contrast, in the agriculture sector both employers and farm workers were more knowledgeable about the NMW policy. The formalised nature of this sector and the fact that employers were organised meant that their knowledge about policies and procedures was good. Farm workers who were unionised seemed to be more aware of their rights and of the legislation. As with the domestic work sector, amongst employees there was a perception that the NMW was not a living wage and most felt that it was unfair for the sector to be excluded from the full NMW. Employers in the sector held negative perceptions about the NMW. They expressed concerns about the cumulative wage increases that had to be effected since the adoption of the sectoral determination of minimum wages. This resulted in increases in the wage bill above what employers felt was viable.

IMPLEMENTATION EXPERIENCES

In the domestic work sector most employees reported receiving the NMW with very few cases of non-compliance with the policy. The interviews revealed that the NMW policy is not taken into consideration when employers decide on wage increases, instead, annual increases were common practice.

In the agriculture sector, most employers reported paying the NMW while most farm workers interviewed reported receiving the NMW. Although the actual figures reported by employees indicated that they were earning at or above the NMW for the sector, most did not perceive themselves to be receiving the minimum wage because they felt they were not receiving a living wage.

In this sector compliance with the minimum wage levels often resulted in other adjustments to compensate for wage increases. Employees indicated that they were faced with increased productivity and output expectations, and both employers and employees reported a decrease in non-wage benefits offered such as transport and hospital fees as well as employers no longer offering skills training.

Non-wage benefits such as accommodation, transport, pension contributions and other ad hoc benefits (such as school fees payments, covering medical expenses, and receipt of food) are characteristic of both sectors. The NMW did not seem to affect these non-wage benefits in the domestic work sector and were not accounted for in wage negotiations. In the agriculture sector stakeholders reported reductions in these non-wage benefits and, for employees, there was confusion about how the non-wage benefits affected their wage levels and what deductions were allowable.

The implementation of the NMW occurs within a larger framework of labour legislation and actual practices that affect household workers. Given that domestic work largely occurs within private households and involves a blurring of relationships between employee and family members, there is more flexibility in the arrangements between employer and employee. Most domestic workers reported not having a written contract in place. While this is not a legal requirement, domestic workers explained that there was often a lack of clarity with regard to scope of work, pay for additional tasks or working overtime, and leave or weekend off days not being respected. In some instances they reported that no UIF payments were being made. They often felt unable to negotiate the terms of their work. Those who were organised clearly demonstrated more confidence in negotiating wages and the terms guiding household work. Employers in the sector demonstrated limited awareness of the labour legislation and, in particular, had no knowledge of the inspection process. None were visited by an inspector and labour inspectors reported difficulties in conducting inspections in private homes.

In the agriculture sector employers were very well aware of the relevant labour legislation as well as their rights and responsibilities as employers. They had good knowledge of the inspection process including how to apply for exemptions. This is likely due to the fact that agricultural enterprises, depending on their size, do have departments that manage their human resources. It could also be due to employers belonging to



representative organisations. Similarly, farm workers who were unionised had far more knowledge of their rights as workers, although they also felt discriminated against if they were union members. Many reported feeling pressured to sign contracts and felt that labour inspectors did not speak to them during inspections and that they were not appraised of their issues and challenges.

Overall, no adverse effects on employment or on wages were evident due to the implementation of the NMW. There were however some reports of job losses in agriculture with employers indicating fewer permanent staff compared to before the implementation of the NMW. Employers in the agricultural sector responded in various other ways, such as tightening controls in managing productivity, increasing mechanisation in production and by reducing non-wage benefits. These shifts were not observed in the domestic work sector.

IMPLICATIONS AND CONCLUSION

The above findings suggest that within the domestic work sector, employers were more likely to be sympathetic to the need for a minimum wage and, affordability notwithstanding, were willing to pay at or above the minimum set wage. For domestic workers, the setting of the wage at the same level as the general NMW is important from a recognition and dignity point of view. Very few domestic workers reported receiving below the minimum wage, indicating that non-compliance with the minimum wage within this group of domestic workers may not be a major concern. However, there is a clear need to improve communication with both employers and employees about the minimum wage, particularly in regard to labour rights and responsibilities outlined in the legislation. Both employers and employees had low levels of knowledge about the NMW and of labour legislation in general, including the need to make UIF contributions. Given the flexibility of the nature of the employer-employee relationship in domestic work and the difficulty of conducting inspections in private households, stronger information, communication and education campaigns are required. There was also clear evidence that domestic worker representative groups played a vital role in educating domestic workers about their rights and empowering them to negotiate contracts and wages. Such organisations could be strengthened and leveraged in their efforts to improve compliance and to promote information in the sector including wider community and worker education.

In the agriculture sector there was greater awareness of and compliance with the minimum wage legislation. In this sector, while reported compliance was good, there were non-wage effects, including higher productivity expectations and reductions in non-wage benefits and a trend towards increased mechanisation. The NMW and responses to it needs to be understood within the context of several wage increases over a several years which has been perceived by employers as threatening the viability of their enterprises. A clear point of confusion for employees in particular, was how non-wage benefits should be calculated. There is therefore a need for clearer information and guidelines about this aspect of the minimum wage legislation.

Finally, the question of exclusion of agriculture and domestic work from the NMW is a source of pain for workers in these sectors who have been the most disadvantaged historically in the labour market. For them, there is the yearning to be recognised on par with other workers. From the perspective of employers, particularly those in the domestic work sector, this seems to be a desirable goal too, although there were concerns about affordability. In the agriculture sector, while employers understood the need for a minimum wage they raised concerns about the timeframes to reach the required wage level and the opportunity to plan for this. Mediating these positions will be especially difficult in the wider national economic and social context marked by deepening poverty and inequality arising from the Covid-19 pandemic which has had significant impacts on the domestic work sector.

1. INTRODUCTION

The introduction of the National Minimum Wage (NMW) in January 2019 was a significant policy intervention intended to address wage inequality and protect some of the most vulnerable workers in the labour market. This report presents evidence of stakeholder experiences and responses to the new policy.

The focus is the domestic work and agriculture sectors. Workers in these two sectors are particularly vulnerable to exploitation, unfair labour practices and low wages (Department of Labour, 2016). The introduction of a NMW has the potential to significantly improve the position of workers in these two sectors. Agriculture and domestic work are the only two sectors where more than 50% of workers earn below R3 000 per month (Isaacs et al., 2016:16). When broken down by sector, Isaacs et al. (2016) find that 50% of farm workers earn below the median monthly wage of R2 253 per month compared to 50% of domestic workers who earn below the median of R1 577 which makes them particularly vulnerable to poverty¹.

Considering the fact that the purpose of an NMW, among other things, is a tool to reduce income inequality and poverty, and given the relatively lower earnings of workers in these two sectors, the new policy is expected to benefit workers in these sectors although some unintended consequences are also likely.

In 2019 the NMW was set at R20 per hour except for agricultural workers where the minimum was set at R18 per hour and R15 per hour for the domestic work sector. The NMW was subsequently adjusted in 2020 to R20.76 per hour and to R18.68 and R15.57 per hour for farm workers and domestic workers respectively. This represents a 3.8% increase over the previous year's minimum wage (Government Gazette, 2020). Both sectors are expected to see increases to the full NMW two years after the policy's implementation. Our focus on these two sectors was motivated by the following reasons. First, average wages are lowest for these two categories of workers. Second, agriculture and domestic work sectors are subject to temporary exclusions from the R20 per hour NMW rate due to the particular difficulties anticipated by policymakers in compliance with the NMW Act 9 of 2018 for these sectors. Lastly, large numbers of casual and informal workers are employed in these sectors. Finally, there is a need to monitor how the NMW has been received in these sectors in order to prepare for the move to the full NMW in the next year. In summary, these are sectors where workers continue to experience lower wages and are most vulnerable.

1.1. Aims and objectives

The overarching aim of the qualitative component of the study was to assess stakeholder experiences and responses to the introduction of the NMW in the domestic work and agricultural sectors.

The objectives were to:

- Assess knowledge of the NMW policy among workers and employers.
- Understand if and how the NMW influences wages and other working conditions (such as hours worked per employee, time spent on training, social benefits, casualisation).
- Assess compliance with the NMW policy.
- Analyse changes in workplace relations (for example, changes in productivity, in the frequency and intensity of workplace conflict, in production techniques, and in collective bargaining) and interpretations of how the NMW has affected this.
- Assess the perspectives of key informants in both sectors, including labour inspectors, policymakers, researchers, and representatives of organised labour and employers, on the above issues.

This report proceeds with a brief review of the literature on minimum wages in the domestic and agriculture sectors, followed by a discussion of the research approach and methodology. The findings and discussion sections focus first on the agriculture sector followed by the domestic work sector. Next we present data concerning the labour inspectors relating to the monitoring of compliance, followed by insight from key informant interviews. In the discussion and conclusion, overarching themes that emerge across the two sectors are discussed and implications for the NMW implementation in these two sectors going forward are provided.

1 The Upper Bound Poverty Line in 2018 as R1183 per month (StatsSA 2018) <http://www.statssa.gov.za/publications/P03101/P031012018.pdf>.

2. SECTORAL MINIMUM WAGES IN AGRICULTURE AND DOMESTIC WORK SECTORS: A REVIEW OF THE LITERATURE

2.1. AGRICULTURE SECTOR

National sectoral minimum wages have not had a significant impact on employment except in agriculture where employment losses were the result of new wage laws (Department of Labour, 2016). In addition to setting a legal wage floor, the new law also outlined terms and conditions of employment for the farming sector which included maximum working hours and the establishment of a written employment contract for employees.

Despite agriculture historically being a significant employer in the South African economy, employment in this sector has declined progressively over the past 30 years. The sector saw an employment decline of 20% between 1988 and 1998, representing a loss of 140 000 jobs (Simbi & Aliber, 2000). As of 2018, the total number of persons employed in commercial agriculture was 757 628, down from 769 594 in 2007 (-1,6%) (Stats SA, 2017). Despite this the sector remains a significant employer, particularly in rural areas. In 1998, employment in the agriculture sector represented 30% of all employment for rural Black Africans living in South Africa (excluding self-employment), by far the largest single category of employment for this group (Stats SA, 2000a). While concerns about labour practices and working conditions faced by farm workers exist, agricultural employment constitutes an absolutely critical source of sustenance to rural dwellers and, more broadly, rural communities. Monitoring responses to the new NMW policy in the sector is therefore crucial.

Wage policy, technological change and employer responses

The agriculture sector is undergoing transformation through technological developments resulting in shifts in the type of labour required. Moreover, the introduction of the sector-specific minimum wages according to Lekunze et al. (2016) has increased the production costs for farmers in South Africa. These trends have effects on which kinds of workers are likely to be most affected by minimum wage policy changes. Different authors argue that the combination of technological innovation and pressure on wages motivated farmers to replace labour with machinery, machinery contractors, labour contractors or new technologies that are labour-saving (Simbi & Aliber, 2000; Sparrow et al., 2008). Farmers anticipated the legislation and increased capital investment (of tractors, machinery and implements) by 83% thus displacing labour on the farms (ILO, 2017; Garbers et al., 2015). That means that commercial farmers will take approximately six years to make the full adjustment towards their desired regular farm labour levels in response to a change in the real annual regular farm labour wage (Sparrow et al., 2008). There is some evidence suggesting that commercial farms have suffered as a result of the increasing labour costs in the country. That is, the number of commercial farmers has declined, but their scale has increased (Liebenberg & Pardey, 2012).

However, according to Piek and von Fintel (2020), sectoral minimum wages have highlighted the vulnerability of small farm employment; while large farms are more shielded from any job losses. Piek and von Fintel (2020) note that it is small farms in export-oriented sectors that are the most vulnerable to employment losses due to the implementation of minimum wages since they do not have access to big markets and do not have the ability to make capital investments or hire more skilled workers. For these reasons, small farms are not able to transfer increased labour costs to consumers and therefore struggle to absorb higher wage costs. The short-term response to minimum wages for small farms tends to be job shedding while larger farms can absorb unskilled workers (Piek et al., 2020). What has been observed in the long-term is that small farms became unviable and overall, the sector experienced fewer, larger and more capital-intensive farms (Piek et al., 2020). Regardless of whether it is small farms or large commercial farms that are most affected by mechanisation, the net result is a change in the nature of employment (increased employment of casual labour) accompanied by a demand for higher levels of skills.

Liebenberg and Kirsten (2013) found that farmers are employing more skilled workers. The share of paid workers in agriculture with an education level higher than primary schooling (grade 7 and more) has increased significantly from what it was in 2008. This fact is relevant for both the commercial (formal) and informal agricultural sectors. They also argue that technological developments have resulted in reduced demand for seasonal workers. Whereas seasonal workers have traditionally been brought in to assist mainly in weeding and harvesting, the need for this has been reduced by longer-lasting herbicides, on the one hand, and more efficient harvesting machinery on the other. As a result, relatively skilled permanent workers who operate agricultural machinery are ever more important to the farmer, while the demand for casual labour has declined.

Another response to minimum wages has been high non-compliance rates of employers in the agricultural sector estimated to be upwards of 50% (Bhorat et al., 2014). The absence of collective bargaining, combined

with unilateral management styles and an increasing bifurcation of the workforce, has allowed farmers to offset any rise in wage costs through a process of work intensification, 'flexible' employment policies, selective compliance, adjusting non-wage variables such as hours of work or fringe benefits and increased deductions for rent and amenities (Naidoo, Klerck & Manganeng, 2007). However, Bhorat et al., (2012) also note that non-compliance is a result of prior complex sector-specific wage legislation and the administrative burden that this presents. In this respect, the NMW would make compliance easier.

Impact on farm workers

The above changes have significant effects on farm workers at the individual, household and workplace levels. Importantly, the nature of these changes means that there are markedly different effects on workers depending on their skill level and nature of employment.

The minimum wage in agriculture prompted a statistically significant decline in employment (Isaacs, 2016; ILO, 2017) with mixed effects on wages. Similarly, Bhorat et al., (2012) found significant negative employment effects as a result of the introduction of the minimum wage between 2000 and 2007. Average wages increased, raising farm worker wages by 17% (Stanwix et al., 2013). Nevertheless, when compared to other sectors, their wages remained very low (Bhorat et al., 2012).

The above suggests that increases in minimum wages in this sector have typically resulted in job losses and increased working hours (Bhorat, 2014). Net gains in earnings seem to benefit primarily higher skilled workers. Minimum wages have had a greater negative effect on unskilled farm workers in large commercial farms. That is, only the core of highly skilled farm workers benefited from the sectoral minimum wage dispensation (Piek et al., 2020). While skilled and permanently employed farmworkers were protected by the pre-2018 legislation (Devereux, 2019), the unskilled workers were most vulnerable to employment losses (Simbi & Aliber, 2000; Devereux, 2019). Seasonal workers continue to constitute a 'peripheral' workforce with little job security, few prospects of promotion or training, and generally poor terms and conditions of employment (Naidoo et al., 2007). Indeed, Bhorat et al., (2014) show that sector-determined wage increases resulted in reduction in total agricultural employment, with a decrease in the employment of seasonal workers, an increase in the employment of permanent workers and a rise in the use of non-wage benefits in order to reach compliance. The accelerating casualisation of agricultural labour and declining aggregate employment has left many farm workers without benefits, that is, eviction from their homes among others (Bolt, 2017; Devereux, 2019).

Another effect of wage policy has been on workplace relations. The Sectoral Determination required that all farm employees have a written contract, and in the years after 2003 there is evidence of a significant increase in the number of workers with such a contract (Stanwix, 2013; Bhorat et al., 2012). The number of workers with a written employment contract increased reaching 57% of the labour force in 2007 (Bhorat et al., 2012). This suggests that workers who retained their jobs had some measure of improved job security and were more likely to understand their terms of employment. Again, these benefits are likely to extend primarily to permanent and more highly skilled workers.

2.2. DOMESTIC WORK SECTOR

The domestic work sector is unique because the majority of workers are employed in private households. This leads to the blurring of the boundaries between employee, employer and family members, and complicates compliance with the Basic Conditions of Employment Act 75 of 1997 (BCEA). The informal nature of how employment is entered into results in a lack of clarity over wages and agreements over employment contracts (ILO, 2013). Live-in domestic workers are also likely to work longer hours per week compared to live-out workers and different surveys found variation in wages between live-in and live-out domestic workers (Budlender, 2013). Because of the largely 'invisible' nature of domestic work (Dilata, 2008), employers do not always abide by the relevant labour legislation. As such there is greater potential for domestic workers to be exploited and to be engaged in work without a contract. Workers often feel they have no or little say over their terms of employment; and no means to seek redress for non-payment of wages and other abuses. Similar to the agriculture sector, workers experience high levels of dependency on employers for non-wage benefits such as accommodation and provision of food. Dependency on employers for these needs, coupled with unequal power relations between worker and employer, leaves room for exploitation and abuse (WIEGO, 2014). Furthermore, Women in Informal Employment: Globalizing and Organizing (WIEGO) argues that live-in domestic workers in particular, experience this acutely, sometimes being housed under inhumane conditions and suffering physical or sexual assault. Foreign migrant domestic workers, who in practice cannot qualify for work permits and who are regarded as 'illegal' workers, face the greatest exploitation of all domestic workers. The blurring of the relationship between employee and family members brings both benefits and challenges. A sense of privacy is a concern for live-in domestic workers as the employer could call them at any time when they need the domestic worker. For many the working hours never end. This is because employers

feel that being a live-in domestic worker makes them a part of the family. Employers argued that given the unpredictability of family life, there is need for flexibility in working hours and contend that it is unrealistic to expect a formal job description or contract (Nyamnjoh, 2006). In addition to often not being paid for overtime work, some workers reported losing their jobs because they demanded overtime payment while others faced punishment of salary deductions (Mudau & Thobejane, 2017). Women in the sector often reported harassment in the latter study resulting in poor concentration and an inability to complete their tasks.

This has historically been a sector with limited worker organisation. Despite the statutory protections afforded to workers in the post-apartheid labour relations framework, this is also a sector with declining union density (Ally, 2008). About 4.5% of domestic workers were unionised and 32.3% were aware that a union exists (Tanzer, 2013). Further, because of low membership, unions for domestic workers struggle financially and are unable to provide extensive support services. Low membership is likely to be the result of the dispersion of domestic workers geographically as well as lacking a common employer. These factors make the organisation of domestic workers difficult, all of which may lead to increased wage and employment insecurity (Tanzer, 2013).

Effect on employment, wages and hours worked

Hertz (2005) found that there was a decrease in employment and in working hours for domestic workers after the introduction of the sector-determined minimum wages between 2001 and 2004. Subsequent research by Dinkelman and Ranchhod (2012) and Bhorat, Kanbur and Mayet (2012) found no clear dis-employment effects. The evidence is mixed on whether the sectoral determined minimum wage was associated with reduced hours worked. Bhorat, Kanbur and Mayet (2012) found that there was some effect on reduced hours worked although the wage increases were likely to off-set any negative effect in terms of overall hours worked (see Cassim, Jourdan and Pillay, 2015)

Legislative compliance

From the introduction of a minimum wage in 2002, enforcement of compliance was always thought to be a significant challenge arising from the fact that work takes place in private households. Gaining access to premises requires the permission of the employer, and a lack of capacity of the inspectorate of the Department of Labour to monitor compliance and knowledge of the minimum wage has limited efforts to monitor compliance (Budlender, 2013).

De Villiers and Taylor (2019) found that while employers reported compliance with relevant legislation, domestic workers expressed concern over their employer's non-compliance with the legislation. It appears that most domestic workers are usually not registered for benefits such as the Unemployment Insurance Fund (UIF) (Matjeke & Viljoen, 2012; de Villiers & Taylor, 2019). Additionally, employers who register their domestic workers for UIF, do not follow up with monthly payments (Tanzer, 2013). Although most domestic workers are not registered with the UIF, workers considered job security, wages, working conditions and the relationship with employers as the most significant factors which influenced their well-being in employment (De Villiers & Taylor, 2019).

Summary

This brief review of available research highlights the historical vulnerability of workers in these sectors and shifts in legislation, compliance, wages and other labour relations over time. While the effects of sectorally determined minimum wages in the agriculture sector have been tracked, less attention has been paid to the domestic work sector. In both sectors there is limited qualitative evidence assessing the effects of minimum wages.

3. METHODOLOGY

A qualitative approach was adopted as this is the most appropriate way to explore different perspectives and responses to the introduction of the NMW. Exploratory qualitative designs are most suited when attempting to understand how particular groups of people are experiencing and responding to a significant policy initiative such as the NMW, to uncover nuances of how the NMW is being understood and received. When fieldwork commenced, the new policy had only been operational for approximately nine months; although this was a short period over which to conduct the assessment, the findings may also be useful in informing adaptive management strategies to guide implementation.

It is important to note that the NMW was implemented in January 2019 and that the fieldwork commenced in two provinces between October and November 2019 (first phase). Fieldwork recommenced in February until mid-March 2020 (second phase); however, fieldwork had to be stopped due to the hard lockdown declared on

27 March 2020. This necessitated a revision of the fieldwork plans which are outlined below. This section of the report first outlines a justification for the selection of the provinces in which we conducted the study, then provides the original plan for data collection and the subsequent changes that had to be made to account for Covid-19 restrictions to data collection, and finally the sampling and analysis is discussed.

3.1. SAMPLING, PROVINCIAL SELECTION, SELECTION CRITERIA AND DEFINITIONS

The study was conducted in five provinces: Gauteng, the Western Cape, KwaZulu-Natal, Mpumalanga and Limpopo. The provinces were selected on the basis of the national distribution of domestic workers and farm workers using Quarterly Labour Force Survey data during the planning phase (Statistics South Africa, 2017). Data was collected from both sectors in the Western Cape, KwaZulu-Natal and Limpopo. In Gauteng data was collected for domestic workers only and for the agriculture sector only in Mpumalanga.

Selection criteria: Participants needed to have been working as a domestic/farm worker or be an employer of either at the time of the implementation of the NMW policy in January 2019 and at the time of the interview.

Definitions

- Employers of domestic workers were defined as any individual who, either individually or jointly with their family members, employed someone to clean and carry out other household work in their homes.
- Domestic workers in a private household were defined as those who were working for an individual or a family in their home (house or flat). Domestic workers employed in private businesses were excluded from the sample.
- Employers of farm workers were defined as those who owned or managed land that is used for commercial agricultural production, and who employ people to work on their land for a wage.
- Farm workers had to be working on a farm at the time of the implementation of the NMW and at the time of the interview.
- Compliance refers primarily to employer compliance with the new NMW policy and includes wages as well as its impact on benefits and hours worked. Research participants when referring to compliance interpret compliance more broadly as not only the compliance with the NMW. Since improvements were recorded in the number of workers having a written contract under the Sectoral Determination of minimum wages, this is tracked as an indicator in this study even though, apart from Section 29 of the BCEA of 1997, it is not a legal requirement for an employer to provide a written contract².

3.2. DATA COLLECTION STRATEGY PRE-COVID-19

Data collection commenced in the Western Cape and KwaZulu-Natal during the last quarter of 2019. Here, employers and farm workers were engaged separately in focus group discussions. In the three provinces in which both sectors were represented, four focus groups were conducted namely, one with employers of domestic workers, one with domestic workers, one with employers of farm workers, one with farm workers, except for employers of farm workers in KwaZulu-Natal whom we did not interview. In the two provinces in which only one of the sectors was represented, the domestic work sector in Gauteng and the agriculture sector in Mpumalanga, two focus groups were conducted. In each focus group it was anticipated that six to eight participants would be involved.

Early on in the data collection process it became evident that it would be difficult to gather employers, particularly domestic work employers, together in a focus group. The strategy was changed to rather interview employers individually by means of semi-structured interviews.

In addition to the above, key informant interviews were held with the provincial Department of Employment and Labour inspectors, key informants such as academics, researchers, activists, and union/ employer organisation representatives as well as one representative from the National Department of Employment and Labour.

3.3. ADAPTED DATA COLLECTION STRATEGY

The data collection strategy was revised after the Covid-19 lockdown took effect in late March 2020. The University of Johannesburg suspended all face-to-face fieldwork by mid-March. Focus groups and face-to-face interviews and inter-provincial travel prohibitions meant that telephonic interviews had to be conducted with between six and eight respondents (or as close to this target as possible) individually in the remaining provinces of Gauteng, Limpopo and Mpumalanga, as well as key informants who could not be previously interviewed.

² <https://www.labourguide.co.za/contracts-of-employments/644-the-employment-contract-explanatory-notes>

In some instances, it was difficult to achieve this target and challenges were experienced with trust, especially in the agriculture industry and particularly in Mpumalanga. These were, however, overcome as the fieldwork team persevered; some of the challenges are described in Box 1 below. The final sample size, distribution by sector and province, is presented in section 3.4 below

Box 1: Fieldwork notes on challenges experienced during lockdown

Agriculture sector: *A fieldworker reported the following challenge with accessing respondents via telephonic interviews: 'A representative from Mpumalanga Agriculture who was assisting the CSDA team with the recruitment of farmers was almost certain he would struggle to convince anyone to be on a call for 30 minutes. He suggested we would get better data if we rather made the effort and visited the farms physically. However, because lockdown restrictions were still in place, we decided to keep trying to convince farmers – which we managed to do. Emerging farmers whom we tried making contact with through NGOs and civil society organisation were not willing to speak to us telephonically ...while commercial farmers were incredibly difficult to pin down for a telephone conversation. In order to try [to] accommodate employers of farm workers, we gave them the option to complete the interview in their own time and respond with as much detail via email. There were some issues with the network and inaudible responses in Limpopo and Mpumalanga which detracted from the data, however, on the positives side, once people availed themselves for the phone call, they were very open and shared their views freely and in an honest way.'*

Domestic work sector: *'Employers are also employees themselves and mentioned time constraints as a barrier to participation. In KwaZulu-Natal, we encountered many employers who were simply frustrated... we got the impression that they were not interested to take part in research related to the government. We were alerted to this by one of the fieldwork coordinators. So, we tried multiple strategies to overcome the challenges: attempting to recruit via online community groups such as the I'm Staying movement on Facebook as well as recruiting through the CSDA's wider networks of collaborating individuals and organisations; as well as through neighbourhood, church or other WhatsApp groups. Despite these efforts, finding employers from different income groups was a challenge.*

During lockdown, domestic workers in Gauteng and Limpopo were also difficult to recruit. Again, we decided to recruit through various WhatsApp groups. Not being able to meet physically and build rapport with participants was also challenging at first but in the end, both domestic workers and employers were quite forthcoming with information about their experiences. We were pleasantly surprised by the variance in their thoughts, opinions and perceptions'.

In summary focus groups were conducted as planned prior to lockdown while the remaining data collection took place via telephonic interviews after the lockdown started. The breakdown of the data collection method is outlined below.

In the domestic work sector, three focus groups were conducted in KwaZulu-Natal, the Western Cape and Gauteng ranging between eight and 10 participants. After the lockdown, five telephonic interviews were conducted with domestic workers in Limpopo. Regarding employers, four face-to-face interviews were conducted before lockdown with the remaining interviews conducted telephonically after lockdown. In the agriculture sector two focus groups were conducted with farm workers in KwaZulu-Natal and the Western Cape ranging between eight and 10 participants before lockdown. After the lockdown, telephonic interviews were conducted with farm workers in Mpumalanga and Limpopo. Regarding employers, two focus group were conducted in the Western Cape and KwaZulu-Natal before lockdown followed by telephonic interviews with the remaining employers and farm workers after the lockdown.

3.4. SAMPLE SIZE BY SECTOR AND PROVINCE

In total, 41 employers and 61 employees were interviewed in the two sectors. This was broken down as follows.

Employers: In agriculture, interviews were conducted with 19 employers: from the Western Cape (8) (Paarl, Tulbagh, Wellington and Worcester); Mpumalanga (4) (Armesfoort, Mbombela, Kiepersol, Lowveld and Malelaan); and Limpopo (7).

In the domestic work sector, 22 employers were interviewed: from KwaZulu-Natal (2) (Morningside in Durban); Western Cape (5) (Cape Town, Goodwood and Wynberg); Gauteng (7) (Pretoria East, Northern and Eastern Suburbs of Johannesburg); and Limpopo (8) (Louis Trichardt, Tzaneen, Musina, Vleifontein and Nzhelele).

Employees: 28 farm workers were interviewed across four provinces with the following breakdown: Western Cape (11); KwaZulu-Natal (6), Limpopo (6); and Mpumalanga (5). In the domestic work sector, 31 participated in the study, they were evenly distributed across the four provinces which included both urban and rural areas.

Key informants: Six labour inspectors were recruited via the Department of Labour in Cape Town and Durban. Other key informant interviews included five key informants (KIs) in agriculture. KIs were a mix of academics, agricultural economists, and representatives of organised labour, that is, farmers under an association and those who worked closely with farm workers and dwellers. In domestic work, there were three key informants, all of whom represented organised labour in the domestic work sector. They all worked closely with domestic workers, providing case support in labour-related matters, labour rights education, advocacy for domestic worker rights and organising workers.

The list of names of the KIs and their areas of expertise including institutional affiliation are contained in Annexure 1.

Data collection, analysis and ethical approval

Data was collected by the CSDA team of researchers who were well oriented with the purpose and approach to the study. The interview, focus group, KI interview guides and interview guides for the Department of Employment and Labour inspectors are attached (see Annexure 2). These contain semi-structured questions to gather some demographic data including open-ended questions with accompanying prompts where relevant. The research instruments were reviewed by representatives of the NMW Commission, amendments were made and these were subsequently accepted. The research instruments are contained in Annexure 2.

Ethical approval was received from the Ethics Committee of the Faculty of Humanities, University of Johannesburg. Data analysis was conducted with a computer-based data management package and followed the themes of the questions and the objectives of the study. Analysis also attempted to explore in-group variations to assess whether responses and experiences differed for sub-groups within each of the sectors.

3.5. Limitations of the study

The findings are not generalisable to the population as is the case in rigorous quantitative studies with large random samples. Nevertheless, the findings provide rich and textured information of the different responses and perspectives of the different stakeholder groups and where feasible, of particular sub-groups among employees and employers. A convenience sampling method was employed which might have resulted in an over-representation of some groups of participants. It is also not known whether employers of domestic workers who were more compliant with the legislation were more willing to participate than those who are not. Employers in the agriculture sector were recruited via existing associations and those who participated may have had similar views on the NMW. The findings of employers and employees in the sectors, when triangulated with the KI interviews and the literature review, do provide fairly consistent themes and sub-themes across the two groups of interest to this study. The data provides a good indication of overall views, experiences, and perspectives of the participants' responses to the NMW in the first year of its implementation.

4. FINDINGS

4.1. DESCRIPTION OF THE PROFILE OF PARTICIPANTS IN THE STUDY

A brief description follows of the social and demographic profiles of the participants.

Profile of employers in agriculture and domestic work

Employers in the agricultural sector tended to be largely male, aged 40 and older and who have been in the industry for approximately 30 years. They employed on average fewer than 50 workers on medium-sized commercial farms; some employers described themselves as emerging/smallholder farmers (Limpopo) or as large, commercial farmers. Most employed low-wage workers and a smaller proportion of skilled workers. Participant roles were described as either owning or being responsible for the management of medium-sized commercial farms.

In domestic work, employers ranged between 42 and 54.5 years, and most were females although two male employers were interviewed. The period of employment of domestic workers ranged between 11 months in Gauteng to nine years in KwaZulu-Natal and around 4.5 years in the Western Cape and Limpopo. Although most employers had one domestic worker, in some areas such as Limpopo, between one and two domestic workers were employed by a single employer.

Profile of workers in agriculture and domestic work

Worker participants in the agriculture sector came from four provinces – Western Cape, KwaZulu-Natal, Mpumalanga and Limpopo. Of the workers, 18 out of 28 farm workers had written contracts. The majority of workers were employed full-time with only two being part-time workers. Two thirds were males and a third were females; the age range was between 33 years (Mpumalanga) and 46 years (Limpopo) and in the Western Cape and KwaZulu-Natal, the average age of the participants ranged between 39 years and 45 years. Household size ranged from three in KwaZulu-Natal to five in the remaining provinces.

Box 2: Profile of farm workers in four provinces

Western Cape: Among farm workers we had seven males and three females in the focus group, with an average age of 39 years. The participants typically came from households with six members. Six of the 10 participants had contracts in place and all were union members who were earning at or above the legislated minimum wage.

In **KwaZulu-Natal** the research took place at the Association for Rural Advancement (AFRA) offices in Pietermaritzburg. *The participants lived in various farm areas nearby including Curry's Post, Klental Farm, Iuan Hoe Farm, Cosmoore Farm and Boston.* Eight farm workers participated in the focus group, with six of the participants being male. The average age of participants was 45 years and they came from smaller households of approximately three members.

In **Mpumalanga** we conducted telephonic interviews with five farm workers in Mpumalanga from the following areas: Middleplaas, Komatipoort, Schoemansdal, Nkomazi, and Greyton. Among the farm workers we interviewed three males and two females, with an average age of 33 years. Participants live in households with five household members and are all breadwinners since they were the only people employed in the household.

In **Limpopo** we interviewed a total of six farm workers from a village called Valdezia. Half of the group were males and the other half were females, all of whom had an average age of 46 years and lived in households with five members. All participants worked at a farm that produces nuts.

Thirty one participants engaged in domestic work across all four provinces were African, female, and ranged in age between 41 and 47 years, which is similar to the age profile of domestic workers in an earlier national study (see Budlender, 2013). The majority of the participants (22) were employed full-time and nine were part-time workers. Most have been employed by their current employers for between 3.9 and eight years. They had on average two children and lived in households with 5.5 people in three of the provinces except Limpopo where the household size was three. Few of the employees had written contracts (6 out of 31) and few were members of a union or a worker association. Six of the Gauteng participants were foreign migrants from Zimbabwe of whom four did not have work permits. Box 3 provides a description of the profiles of each of the four provinces and illustrates the variation between the provinces.

Box 3: Profiles of domestic worker participants in the four provinces

The **KwaZulu-Natal** focus group had eight female participants; all were African and lived in Kwamashu, Illovo, Morningside and Ntunzuma. The average age of these participants was 41 years. Most participants had on average three children and were living in households with approximately six household members. At least two household members had a job. Participants had been employed for roughly 3.9 years. Only two participants had a written contract. The majority of participants were not members of a union. Six participants received their wages on a monthly basis, whereas one received theirs weekly and another daily. All but one participant worked full-time.

In the **Western Cape**, the focus group was conducted with eight participants, all of whom were African females living in Cape Town. The average age of participants was 44 and on average, each participant had two children and lived in households with an average household size of five. Only two participants had written contracts and only one of the participants was a member of a union.

In **Gauteng**, the focus group was conducted with 10 domestic workers. They lived in Kensington, Hillbrow, Yeoville, Cosmo City, Berea, Bertrams, Malvern and Bedfordview. The participants were selected from a mix of low-, middle- and high- income areas. The participants were all African females from South Africa and Zimbabwe, with an average age of 47. Of the six Zimbabwean participants, two had no work permits. On average, participants had two children and were living in households with an average of five members. Participants had been in their current job for an average of eight years. Nine out of 10 participants did not have written employment contracts. On average, participants had three people in the household that were employed. Interestingly, none of the South African participants were members of a union or association while the Zimbabwean participants were part of the IZWI Domestic Worker Alliance.

In **Limpopo**, five interviews were conducted with domestic workers who were based in Mavhunga, Gondenani and Raliphaswa. The participants were all African females, with an average age of 47. On average, participants had two children and were living in households with an average of three members. On average, participants had been in their current job for seven years. Four out of five participants did not have employment contracts. On average, participants had three people in their household who had a job. None of the domestic workers were affiliated with any union or association.

Overview: employment contracts, wages and employee benefits

In agriculture, 18 participants reported that they had an employment contract while only six domestic workers out of 33 participants had employment contracts. Concerning the payment of the new NMW, 20 farm workers reported earnings above the minimum wage while 18 out of 33 domestic workers reported receiving wages above the NMW, seven reported wages that fell below the minimum wage and six did not disclose their wages. Domestic workers who earned below the minimum wage threshold were residing in KwaZulu-Natal and Limpopo. Contrary to what one would expect, foreign domestic workers who resided in Gauteng, did not earn below the stipulated minimum. All participants earning below the minimum wage were South African citizens.

Table 1: Average wages of farm worker participants in four provinces

Province	Average wage (N=28)
Limpopo	R3 781 per month
KwaZulu-Natal	R2 322 per month
Mpumalanga	R4 344 per month
Western Cape	R3 578 per month

There were provincial differences in average wages. In Mpumalanga, all participants were receiving wages above the NMW while 90% of participants from the Western Cape and Limpopo received wages above the NMW. However, one participant from Limpopo, who was a seasonal worker, earned below the NMW (R2 700 per month) and in KwaZulu-Natal, the average wage was the lowest of all four provinces: one was getting more than the NMW, three were getting less than the NMW and two did not respond.

Table 2: Average wages for domestic workers in four provinces

Province	Average wages (N=33)
Limpopo	R2240 per month
KwaZulu-Natal	R2 739 per month
Gauteng	R3 830 per month
Western Cape	R3 987.50 per month

Employee benefits mentioned by employers and employees in agriculture included the following: housing, travel allowances, skills training, transport, childcare, loans, school fees, medical aid, UIF, provident fund contributions, retirement funds.

The most frequently mentioned employee benefits by employers for domestic workers were travel allowances (4); food and groceries (3); bonuses (2); and support with childcare (2). Besides these, other benefits mentioned were: housing/accommodation, meals at work, clothing, skills training, loans, school fees, contribution to retirement funds and/or UIF, mobile data and access to Wi-Fi, and access to a television.

4.2. FINDINGS: AGRICULTURE SECTOR

Knowledge of the NMW

A key finding in the agriculture sector was that there was good awareness, among both employers and workers, of what the NMW hourly rate was as well as the fact that there is a lower rate in the agriculture sector.

So, do you know what the national minimum wage is?

R: Yes.

I: Ok, may you please tell me about your understanding about the national minimum wage and where you got the information?

R: Uh I got it from the internet, last time I checked I think it was R18 if I am not mistaken.

Farm owner, Mpumalanga

For us the minimum wage has been R18 for the past two years. They can't expect us to be accepting of this because for the past two years it hasn't gone up.

Farm worker, Western Cape

Then we would get confused because I once heard the Minister saying that in January the money would be R20 per hour at the farms, when we follow-up then we find that we are getting R18 per hour and we don't know how it got there.

Farm worker, KZN

Yeah, we were told at a meeting because they called us to a meeting and told us about that, that the minimum wage will be R18 something an hour.

Farm worker, MP

Although there was evidence of good knowledge about the NMW rate in the sector among workers and employers, there was sometimes confusion on the part of employees about how the hourly rate translated into actual pay. For instance, although workers knew that the hourly rate was R18, they were not sure how this translated into what they earned in a month, especially where task-based or piece-work rates were concerned. This was made more difficult because there were limited discussions and negotiations about pay and how pay was calculated.

You see, if it's harvest time then you get an opportunity. They will say right, there's your basic. But if you perform... but you get a target then you get the [incentive]. But it's not like a negotiated process so you don't know what you will get.

Farm worker, WC

So, tell me how much I must pay for one day? I want to know what my rate is for a day. I want to know how much I am supposed to get for one day. How much the farmer must pay me for one day?

Farm worker, WC

I don't know [if I am earning the minimum wage] because there are no discussions inside there, they [employer] are saying that they pay the money that has been set by the government that they have to pay.

Farm worker, MP

Another question among workers and employers, was how non-wage benefits (such as accommodation and transport) influence the minimum wage they should be paid.

And then when the minimum wage came in, it's a bit of headache. Because what happens I'm earning R860 a week and then from that R860, R100 must go to the transport for the diesel of the truck. I did challenge that with the labour department, with no success. So, I'm earning R760.

Interviewer: They took money out of wages for diesel?

Response: Yes, for transport

Farm worker, WC

Can I please ask, I can say that I am getting R20 but there's a deduction of electricity and water and accommodation, I don't know there?

Farm worker, KZN

There was clear evidence that unionised workers had far more awareness of the NMW and what their rights were in terms of deductions. They were also very aware of the procedures to follow if there was a complaint, although they did indicate that filing a complaint was risky, as it may lead to job loss. Workers that were not unionised had less awareness of the wage, their rights, and complaints procedures; indicating that unions play a crucial role in providing information to workers in the sector.

Employers, most of whom were affiliated with representative organisations, knew what their rights and obligations were in terms of the NMW Act of 2018. Employers tended to be organised and were therefore aware of sectoral determinations and the subsequent changes after the introduction of the NMW.

Organised agriculture; basically, our farmers' association – they inform us about it [the NMW] because there's movements and requirements.

Farm owner, MP

For many, their farms were also run as businesses and they therefore had formalised human resources and wage systems and processes in place, which is different to the domestic work sector. The employers therefore had excellent knowledge of what the rates were, how deductions should be calculated and what the procedures were for applying for exemptions.

Having said this, there was some confusion over non-wage benefits. For employers there were particular concerns about how to calculate the value of non-wage benefits and how that then translated into the actual amounts deducted from wages. There was, however, clear awareness among employers that deductions could not exceed 10% of the wage.

R: Yeah uhm... the basic conditions of employment have started a lot of requirements and those regulations that have to be complied with, and among those it's deductions. So, there's deductions from the maid for food and accommodation. Up to 10% of their salary, uhm so then I introduced [a] provident fund, then deductions became an issue. When the Department of Labour comes, I am not going to be able to justify the deductions, the deductions go over a certain percentage of their wages. Then I do get a lot of resistance, so one of the things that I did introduce is interest free loans. Because every now and then there is a funeral and somebody has to repair a house or accommodation that they have. And I try to encourage that and provide interest free loans.

Farm owner, MP

Can I ask? If I look at Shoprite and any other sector, then most within those sectors don't provide transport am I correct? They expect people to come to their premises and so forth. So, there we are as agriculture negotiating by saying okay on the payslip or something, we can bring in those values or costs [of transporting staff] up as a cost that we contribute. Because if I'm taking... we are bringing people in from all over and we provide transport to get people to the farm. Also, I mean that's actually a value.

Farm owner, WC

Overall, knowledge about the NMW was good among both employers and employees, with some exceptions among non-unionised workers. While employers have a great deal of confidence in the intricacies of the legislation, particularly regarding exemptions and deductions, employees had less knowledge of these aspects and what they meant for their wages. Affiliation to organisations – unions in the case of workers and representative organisations in the case of employers – was crucial in providing information and assisting their members in understanding the implications of the legislation for wages and salary payments. The issue of non-wage benefits was one that created some confusion among both employers and employees, particularly regarding how such benefits are calculated and valued and what that translates into in terms of deductions, as well as whether deductions for non-wage benefits were in fact allowed.

Perceptions about the NMW

Employers in the agriculture sector expressed resentment over the minimum wage and had clear concerns about the impact of wages on their business viability. Employers in the Western Cape noted that their calculations are done on the basis of keeping labour costs at no more than 25% of their turnover. This figure was viewed as realistic for keeping their businesses viable. Since the introduction of the NMW, many were reporting that the staff to turnover ratio had gone above 26%. This translated into concern over its impact on their businesses and talk of movement towards greater mechanisation and reductions of other benefits. A quarter was viewed as an acceptable portion of turnover to be given over to labour costs. Moving beyond that rate was viewed as leading to automatic cost-cutting adjustments.

But in Worcester we need to manage that. We're sitting at 26 ½% now. So, if NMW is going up another percent I need to drop 2% [of my staff] and that's the reality. It's either that or myself that's the reality we are sitting with. 26% is not acceptable and there's no..., you know inflation in our markets is basically zero it's one and 2%. So, there's no way that I can increase my income [into the business to offset the cost].

Farm owner, WC

Yeah uhm... I don't think that the minimum wage is really justifiable and it's got a negative effect on everybody that's jobless. It just kills the opportunities for everybody else. Yeah and I am forced to consider mechanisation.

Farm owner, MP

Farm owners and employers in the Western Cape also felt that the regularity of increases and the fact that increases had been above inflation made it difficult to absorb the ever-increasing wage bill.

The thing is on most our farms the wage bill is the biggest and then to suddenly just implement a policy by a 52% increase [since 2012] that means if you look at a pie chart and your wage bill is let's say 40 – 50% of your expenses. That means your expenses is going with 52% in one year, so the biggest problem is let's agree on something, but phase it in over a period of time.

Farm owner, WC

If Buitensporig, what do you call it, exceptional increase is happening outside of the normal yearly inflation increases that's happening, I would say at least a 5-year plan needs to be set out so that we as farmers can plan properly. Because if I go to a bank or wherever to loan money because I'm gonna do new plantings and I'm expecting this possible income. But if government comes with an unexpected increase that they haven't communicated and prepare agriculture for it. Then it can have catastrophic effects on my internal rate of return and not making money at the end.

Farm owner, WC

The pressure on wages was also interpreted against a backdrop of other pressures that the agricultural sector was facing. These included the recent drought which had significant impacts on turnover, the movement towards consolidated mega-farms and mechanisation, and concerns over the value of land, as well as poor service delivery.

Respondent 3: On the National Minimum Wage, we will ask for a phase in, the longer we get, the more sustainable the sector will be. We are losing farmers and it's exploding now, and every farmer that you lose at least 2 admin persons and 1 or 2 extra jobs [are lost]. So, that's the jobs that are at risk at the moment, I think most of our farms are at skeleton staff. We've lost our first mega farmer in the Western Cape now gone.

Respondent 4: I think the drought made it worse.

Respondent 3: 2 000 people were confirmed [to have lost jobs], first mega farmer gone. And that is because of what [Respondent 1] said – the value of land is not the value what the people are paying for it at the moment.

Farm owners, WC

Against the backdrop of perceived pressures on farmers, the NMW is viewed as yet another pressure that farmers have to manage in what they perceive to be an increasingly difficult and unstable economic environment for the sector.

For employees, the NMW was viewed with indifference, primarily because employees did not feel that it made a real difference in their lives since they had not felt a real change in their actual wages.

There's a benefit on paper because at least he cannot keep you below. It's just the unfortunate part that they manoeuvre such that, that benefit that's on paper you don't see it physically at the end of the week.

Farm worker, WC

For us the minimum wage has been R18 for the past two years. They can't expect us to be accepting of this because for the past two years it hasn't gone up.

Farm worker, WC

R: Yeah then that's why I am saying that I don't think the minimum wage is secured, I prefer to sit down and discuss that 'no my work is a lot when it comes to this and that, why you as an employer can't give me so much money?'

Farm worker, MP

R: Ok as for the minimum wage as I say we are crying a lot we are asking if the government can increase for us. At least if they can think for us because it's too small.

Farm worker, MP

Some also felt that it was unfair that the wage was lower than for other sectors:

Yeah it does affect us because it seems like the government is putting us below because when you look at the minimum wage it doesn't make us as the other people who are working on the shops, we get 18 they get more.

Farm worker, MP

Yes, when we started this thing off, the national minimum wage we would be happy if we could be rated like others are done.

Farm worker, MP

In sum then, the NMW is a contentious issue within the agriculture sector among employers and is viewed with indifference among workers. For workers this has to do with experiences of implementation and the perception that the NMW has not made substantive changes to their lives, which is the theme in the next section.

Implementation experiences

Compliance

Reports from farm workers, by and large suggest that there is compliance with the NMW. In a questionnaire conducted at the commencement of the interviews or focus groups, participants were asked to note their monthly wage. As indicated in Tables 1 and 2, the majority of participants were earning at or above the minimum wage with very few exceptions. Although they reported such earnings, many did not perceive their earnings to be in line with the minimum wage. This was in part due to the confusion over deductions and how daily and piece-work wages translated back into the hourly rate of R18, as discussed above. This sense of wages not being in line with the minimum wage may also have to do with a general perception that wages were too low and that they were not earning a living wage. This perception may influence how they view their wages as not being in line with the NMW. In fact, many did call for the NMW to be increased so that it ensured a living wage.

Yeah, they could put a little more effort so that we can have a living wage.

Farm worker, MP

Because we go to work for a living so that we could support our families, so no living wage no good.

Farm worker, MP

Respondent 5: There are still people that don't see what they are working for. They're still earning something like R2 a week. Because of deductions, he only gets a R2 out.

Respondent 3: You see, maybe we should put into context what he's saying. The act says that the worker cannot have deductions below 40% or higher than 40%. They don't care. What is due to them, they will take it.

Farm workers, WC

I: You are getting R18 an hour.

R: Can I please ask, I can say that I am getting R20 but there's a deduction of electricity and water and accommodation, I don't know there.

I: No count your money without any deductions, all your money [count all the money that you earn].

R: No, I can say it's R18.

Farm worker, KZN

The data on actual wages seems to support reports from farm owners and employers that they were complying with the NMW.

I: Did you make any wage adjustments in January last year?

R: Uhm.... yes I think, I think I did just to be compliant. But there weren't many wages that had to be increased.

Farm owner, MP

While farm employers do comply with the minimum wage they struggle to do so especially because they have had to manage significant increases in wages over the past eight years, since the sectoral determinations came into effect in 2012. This was a particular point of conversation among the farm employers in the Western Cape.

R4: If you do have a 50% increase [such as what happened in 2012 with the sectoral determination] you need to cut, you need take from Paul to pay Peter. That's it because that's the only money available. There's nothing more. Most of the farmers I know in my area have loaned to capacity. There's nothing left.

I: So, the 50% increase in 2012 that's what's made it difficult?

R4: It's not the 52% that seergemaak [hurt] it's that the next one was the 20% on the 50%.

R3: No that was 2016 and then we had this 18% what was the last one now for the National Minimum Wage so it's another three times.

R2: Three times above inflation and that was not budgeted for and that's the big thing, you know you can go to ABSA whoever and say listen guys not budgeted for this one, can you help me and they say it's gonna be tight let's help you through this one. And then 2 years later you say listen there's another one I didn't budget for that. The next time you come they say just go budget goodness you.

I: So, was this year's amount a surprise?

R3: Every amount is a surprise.

R2: More of a surprise.

R1: Yah it was more of a surprise.

R3: And business didn't see this one coming.

R4: And businesses were still absorbing this shock and then the next one came. We had enough time to absorb the idea but your business didn't have time to absorb the shock again.

Farm employers, WC

A result of having to manage these increases and the related concerns about the impact on their businesses has been that they have had to adapt by cutting costs elsewhere. This is the issue that is turned to next.

Employment effects

One recurring theme that emerged across the data from employers and employees was that of job losses. Employers reported retrenchments of employees, primarily those with low skills. This often went hand-in-hand with shifts towards more capital and technology-intensive production, which required workers with higher skills levels.

Now again the question arises you have a minimum wage, what will the farmer do when he has no fruit, he has no water? He will lay the people off, he will retrench. He cannot do anything else but that.

Farm employer, WC

That's in our area and well I'll, I'll give you my daughters "gewaar word, wat is dit." Observe, what she observed, is "Daddy why is there so many people, so many families walking along the road looking for jobs?" We never had that, so that is in essence what happened in our area and I mean in this area that was 2016 about.

Farm employer, WC

Yeah uhm.... I don't think that the minimum wage is really justifiable and it's got a negative effect on everybody that's jobless.

I: Ok and then what do you think it does; and what are your thoughts about the minimum wage for those that are already in employment and the effects thereof?

R: It just kills the opportunities like everybody else. Yeah and I am forced to consider mechanisation.

Farm employer, MP

And that's what's happening now slowly within South Africa. We mechanise and then your lower skill people they're the first to go, and your more skilled people, you try and also upskill or train [them].

Farm employer, WC

Employees also noted job losses occurring since the introduction of the NMW.

What I have experienced is that when the money was raised then time was decreased, we used to start work at 8 but when the money was increased the boss changed and said we should start at past 7 and some people were fired at work. So you do a lot of work alone.

Farm workers, KZN

Uh it counts on various reasons, some employers when it comes to the minimum wage-, implementation of the minimum wage or whatever the gazette [says], it can be they sometimes feel they have vast [number] of the workers which they think they must retrench so they can [unclear 00:35:58] by that at minimum wage.

Farm workers, MP

Another employment effect that was noted by employees was the increased use of temporary and seasonal labour. Respondents did not seem to make a distinction between these two terms. This was a particular concern among employers and employees in the Western Cape, but did not come up in relation to the minimum wage in KwaZulu-Natal or Mpumalanga. Farm employers in Mpumalanga reported high rates of permanent employees, while in the Western Cape employers reported seasonal and temporary workers making up to 60% of the workforce. This may explain the difference.

R2: The temporary workers they get to work. But the permanent workers have to go home.

R3: But that is where he's saying is ne; is that the first challenge for us is that you will never get a ratio where your permanent compliment is more than your seasonal. Your seasonal workers will always be more than what your permanent compliment is. And then there's this thing where they tend to keep the seasonal workers little bit more happy because of the numbers thing

Farm workers, WC

With the wages becoming so expensive, the pieceworkers or the seasonal workers where if you had someone staying on the farm or coming to work and there's peak season and they're busy. And you've got odd jobs and stuff and when people use to give and keep the people busy because in two weeks' time the next couple come in and now those people are laid off. When the job is done, job is finished [the employer says], you come back when I've got something else for you. So, people don't keep the labour busy anymore even permanent people rain days when you used to go get them some work in the shed, clean up the shed or make wood or do anything, but they still got their pay now it's a labour of day.

Farm employers, WC

Other wage effects

A point that was raised by the employers, but not by employees was that the NMW was having negative effects for workers at the higher end of the pay-scale – those who were more highly skilled. They felt that they could not offer higher wages to skilled labourers because of the need to absorb the increases at the lower end of the skills and pay-scale. Compromising on pay for more skilled workers has been a strategy employed to manage the overall wage bill.

R5: Narrowing the gap between the lower skill and the higher skill and I've got a very good example. Just now on the farm where the permanents came to me and said to me but you're paying us, these guys are getting more pay to take home than the permanent [skilled] guys.

Farm employer, WC

The thing is one of the drawbacks of minimum wage is that the minimum wage has also become maximum wage. The gap between minimum wage and maximum wage reduces up to a point where it becomes zero. So the people that are highly skilled and the people that are productive and effective have to sponsor the people who are unproductive and inefficient.

Farm employer, MP

Employers did acknowledge that higher skills protect staff from bearing the brunt of limited increases since they are very aware that those with higher levels of skills are in demand on other farms.

R3: The better skilled, the better your pay will be because you're gonna be in demand at some stage it will be your pay will be increased on demand for your skill. So, if the minimum wage is a more realistic wage where it accommodates more people in the work area, you'll find that the guys that skill themselves or progress will become higher paid people quicker.

R6: Because they are in need.

R4: Yah because if you get 5 skilled people and I'm just starting up I would like to have one of yours but I would have to put up an advertisement and then but I have to be a better pay than you have.

R6: That's why I would be very careful to do what [Respondent 5] mentioned just before to have a sort of rebate or a lack in wages for a certain area because once you've done that the guys next door would take your skilled labour like that.

Farm employer, WC

Non-wage benefits

A final way in which increased wages are managed is through the reduction in non-wage benefits. For employers this included reducing investments in skills training and no longer providing support for medical emergencies, medical expenses or transport to work.

Yah, there's so many things that change the old way of doing because farm workers had so many perks I mean from hospital, transport, loans, groceries on the book Christmas tree. There were so many things that's all been taken away and just okay but now you get a minimum wage and your minimum wage includes all of that. If you want an ambulance phone them. You don't find a farmer that phones an ambulance anymore, because once he phones them, he's gonna fit the bill. So, the worker has got the phone, where previously you would have sent a bakkie.

I: When was that change, when did that change occur?

R: Probably after 2012, with the increases.

Farm employer, WC

You know it's a separate invoice the guy that do the transport so what one needs to do is to divide it between your labourers make it cost to company and let them pay the service provider you can give him a cheque.

R6: But you deduct it from the salaries.

1. R: Yah.

Farm employer, WC

And so, their ability to obtain experience and other future training goes out of the window.

Farm employer, MP

R4: The training of the unskilled guy is costing me at this stage R42 000 times 2, R84 000 a year. And for that money I can send him to university. So that exceptionally important role agriculture plays in the economy is gone with the National Minimum Wage and I think it's something that you need to look at.

I: So, is what you are saying that the National Minimum Wage is made it harder to engage in skills training?

R4: That took it away so now I don't employ people that are not skilled.

Farm employer, WC

Taken together with the evidence from employees, these responses seem to be corroborated. Employees reported a reduction in non-wage benefits such as transport provision and covering of hospital expenses.

Speaker 2: Transport.

Speaker 3: Not pay for water, not pay for transport all of those costs were then fated in. So, in actual fact you now earn more a day. But you worst off in terms of previous benefits that you had previously.

Farm workers, WC

I: So, the farm doesn't give you any training?

R: No.

I: like skills training?

R: No.

I: Ok and what about food, do they give you any food packs maybe at the end of the month?

R: Nothing.

Farm worker, MP

Although workers did talk of reductions in non-wage benefits, it is evident that in the Western Cape in particular, farm workers did still benefit from ad hoc non-wage benefits. These included occasional support to visit a private doctor, to fairly regular food benefits.

They do help, just like potatoes when they have been reaped, let's say maybe they have been reaped last month then I know that for these 3 months I would not buy potatoes. That's what we would be eating at home for 3 months and after 3 months then I would start buying.

Farm worker, WC

Farm workers in KwaZulu-Natal did not report benefits they received directly, but were aware of workers on other farms who received benefits. This is in contrast to the farm workers in Mpumalanga, none of whom reported any benefits beyond UIF.

Many workers reported living on the farms, but it was not clear whether this was a benefit or whether there were deductions from wages for this. In some instances, the option to live on the farm was there but farmers were not happy with the conditions and in other instances, there was a lot of policing of visits and living arrangements on the farms.

R: Uh the only assistance that they usually get especially the ones that are coming from the Mozambicans [is that] they are staying by the compound of the company. So, they are staying there but per month they are paying an amount of R50 if you are working on the farm... but if you are living with your wife you are paying an amount of R150, the wife pays R100.

Farm worker, MP

R: Yeah there are many of those who stay in the farm.

I: Are they renting?

R: No, they are staying for free.

R: Yeah so, I won't say they are not renting while they are deducting somewhere, but it is said that they are not paying.

Farm worker, MP

Speaker 5: I went to ask for accommodation for my sister. Because she wanted to do a nursing course this side. Now on the housing contract they state in a period of three days' time you must apply for it. I did apply for it personally. She told me she would give me an answer after the board has discussed the matter. When the board discusses the matter, we as supervisors should be present. Now when the decision was made, I was not involved. I wasn't recognised in the matter. One Friday afternoon, we leave work at five on a Friday. They only gave me a letter stating my sister is not welcome on the farm. And two days before I received the letter from them, I heard from the workers, Lorna said my sister is not welcome on the farm.

Farm worker, WC

Working conditions

Both employers and employees reported some shifts in working conditions, which they attribute to the sectoral and NMW dispensations. Employers report that they have focused more on increased productivity and increased production as a strategy to off-set higher wages. Sometimes this strategy goes hand-in-hand with mechanisation.

So, then there's two things that can happen, the first is you either increase the volume, make much more product, and you keep the people, you upskill them or you employ less people because of your number of products that you've got.

Farm employers, WC

Uhm... the one thing that was definitely affected was the rigor and application of disciplinary procedures to make sure that productivity was maintained and delinquency was not tolerated.

Farm employer, MP

The emphasis on productivity was supported by the data from employees who reported greater surveillance of their productivity and increased productivity expectations.

You don't have one task [to do per day] 'as I am working here, I do this', [you do] everything to be done. If maybe they are going to reap cabbage, when you arrive in the morning you have to go and reap cabbage as they have said. You don't have a specific task, when you finish at 10 or 11 reaping cabbage for those cars that were there then you have to go and continue with another work. If maybe there is no other work and you have to knock off, then the money becomes less with the hours.

Farm worker, KZN

Speaker 2: When the minimum wage of R150 came in. Then the workers were expected to pick 180 bags of apples. Now you calculate, five days, nine hours a day, forty- five minutes a week to pick 180 bags of apples in comparison to the R150.

Speaker 3: Obviously you get that they increased the production.

Farm worker, WC

Interviewer: So, I hear this quite a bit like you have to work harder?

Respondent 1: Harder.

Respondent: For the same.

Interviewer :(repeats) for the same.

Respondent 3: Harder and longer.

Respondent 2: Very long and hard hours.

Farm worker, WC

Employees in Mpumalanga felt that the increased productivity expectations arose because the farmers were reluctant to employ more staff to manage the workload.

It's because it is difficult from the farmers to employ more people and once they don't employ more people whereas on the other side the production is so hard.

Farm worker, MP

R: Because they cannot employ more people to do the job, they take you the current workers to work for more hours and do more job. And a job for 2 people is being handled by one people.

Farm worker, MP

Another way that the employees experienced the requirements for increased production was in longer working hours and reduced breaks.

I: What time do you knock off?

R: There is no time to knock off; when there's work you can even knock off at 5.

I: But does he pay all the hours you have worked?

R: No, he refused that, he said he won't but as long as the potatoes are still on the machine we have to continue.

Farm worker, KZN

What he is saying is that he's averaging the hours up. But in actual fact when we did the calculation he's talking nonsense. He increased the hours so that they can be equal to the minimum wage. If he state the hours they would have been better off than the R18, than the R18. So, he increased the hours of production. He also took breaks away that was previously paid and that breaks he made unpaid. Now if you took that into money they would have been better off than the minimum wage.

Farm worker, WC

For them they've increased the production, ne, but for the others they've increased the hours of work. So that it can be in line with the minimum wage whilst...because pre 2019, they were better off than the R18. So, in actual fact they were supposed to be on R20 now. So that hours that they are now working, they are working for free. We've worked out for them they are working four hours a week for free.

Farm worker, WC

Interestingly, farm workers in Mpumalanga did not report increased hours worked in response to the NMW.

I: Ok that makes sense, uhm and then in terms of other working conditions have there been any changes to your working hours since the beginning of last year?

R: No

Farm worker, MP

I: Ok no I understand uhm... and has anything else changed? So not necessarily the money that you get paid at the end of the month but maybe your working hours, have your working hours changed, gone up, gone down?

R: No, our working hours are normal, there's no going down or up.

Farm worker, MP

A related point in the Western Cape has to do with the implications of the hours worked for those previously paid a piecework rate.

The minimum wage then comes in to play because the piecework that is paid per tray or per box or whatever has to be set at a level so that people earn a minimum wage. So, a piecework price was affected seriously by there being a minimum wage. The experienced workers, they do much more than the minimum wage, well in the dried fruit industry they can do 20 trays of apricots.

Farm employer, WC

He went on to explain that those who were processing more trays had to work longer hours, due to the switch to an hourly rate, in order to earn what they would have earned in half a day previously.

Regarding reporting complaints, employees were aware of complaints procedures although this was less so in the case of non-unionised workers. They found the procedures to be cumbersome which they felt was a disincentive to lodge complaints. Experiences of visits from inspectors were not positive; they felt that inspectors did not talk to employees and complaints about working conditions were not resolved.

FINDINGS: DOMESTIC WORK SECTOR

The data was analysed along the same themes as for the agriculture sector.

Knowledge of the NMW

A key finding in the domestic work sector is that there was a lack of knowledge about labour rights and, specifically about the NMW policy, both among employers and employees. Instead, there is a lot of uncertainty and guesswork involved in discussions about the NMW. These are some of the responses to questions about participants' understanding of the NMW:

R: I don't know.

R: As domestic workers, uh-uh.

R: Last time I heard, I think it was 4200.

R: The last time I heard it was 3500.

Domestic workers, Western Cape

R: I didn't know and I think most of the people don't know otherwise it would be hell and back with that, R15 per hour.

Domestic workers, Western Cape

R: I just heard about it on the radio but I don't know how it works.

R: I don't know, unless if I am getting it but not told... but I don't know if I get it or if I don't get it.

Domestic workers, Limpopo

Employers of domestic workers were knowledgeable about the existence of the NMW policy, however, there was a lack of knowledge about the various procedures relating to the NMW such as applying for exemptions and the role of the Department of Employment and Labour (DEL) in overseeing employer-employee relationships outside of UIF, especially with the inspection process. Most employers of domestic workers were not at all knowledgeable about the inspection process, the exact amount of the NMW, and had not been visited by an inspector.

R: but it's really not that we discuss with friends and acquaintances. But from the news and from knowing domestic workers' wages. I think the R20 or R25 or something that was legislated by the government at the moment. And the fact that we know from the news that people are complaining at having to even pay someone those wages. I wouldn't get out of bed for R20 an hour.

Employer of domestic worker, Western Cape

I: Do you know what the National Minimum Wage is?

Respondent: Uhm, I've been guessing, for a time now I've been guessing around R14.

Employer of domestic worker, Western Cape

R: Yes. I think it's what R20 an hour? I don't know if there are exclusions, but I know there are some sectors whose employers have said they want to be excluded from the application.

Employer of domestic worker, Gauteng

R: I do know that it's about R2 500 – R 2600 in urban areas, and then there is non-urban areas which is a bit less than that, but that is where we are currently sitting.

Employer of domestic worker, Gauteng

I: Do you know what the national minimum wage is?

R: I don't know, I kind of think the daily is about - and I might be wrong - it might have been adjusted, R150 / R180, I don't know now.

Employer of domestic worker, Gauteng

Participants in Cape Town seemed a lot more knowledgeable about the policy, gaining information from the news media. One participant seemed to work in a household where labour-related and other issues were openly discussed:

I don't have to say 'did you see the news yesterday, what they talked about?' she knows then we would speak about it. Or they would say 'Thobeka watch the news, look at what's happening' and then I would turn on maybe the TV and see what's happening if I am at home and then tomorrow we would discuss about it, we would talk while I am cleaning.

Domestic worker, Western Cape

R: But I think I am one of the people who knew, I remember it was on the news that people were earning a [00:41:36 unclear] or something that we were not even getting the minimum wage. So I think that's why it was introduced, so it was on the news.

Domestic worker, Western Cape

There was a marked difference among those who belonged to unions/representative groups who were far more aware of the minimum wage as well as their rights as workers more generally. In Gauteng, the participants who were organised members of a domestic worker association gained their information about labour rights through the association. Within the group of domestic workers interviewed in Gauteng, those who were part of the association were more knowledgeable, empowered, were very vocal about their experiences and knew about legislation and about their labour rights:

R: It is R15 for domestic workers per hour.

R: Isn't it R20?

R: No, we are still fighting for R20, for domestic workers.

Domestic worker, Gauteng

R: So, Izwi [association for domestic workers] is teaching us more things to know our labour rights, now we are open-minded because of Izwi.

Domestic worker, Gauteng

In Limpopo, most of the domestic workers we interviewed were either not knowledgeable at all or unsure of how the policy worked and whether or not they were receiving the NMW. According to the IZWI representatives, domestic workers either do not know about their rights or those who do know their rights still feel it is difficult to confront their employers about violations. In the KIs' experiences, it is evident that this lack of knowledge goes both ways; with employers being uneducated about their own rights, roles and responsibilities. Instead, employers tended to use their subjective judgement or spoke to friends and neighbours to help them make decisions about what is acceptable in the work arrangement with the domestic worker in their employment.

Perceptions about the NMW

On the whole, employers of domestic workers felt that the NMW was too low considering the cost of living; they thought it was not a living wage. Employers did feel that the policy was a good start and that having an amount to guide employers was good and fair. A few even spoke about how they valued the work of their domestic workers and felt that the low wage undervalued their contribution.

R: like I said if you want to have a domestic worker then you should have the good sense to want to pay them a decent amount of money. Considering how much easier they make your life. You know employing a domestic worker is a privilege not a right.

Employer of domestic worker, Western Cape

R: It's a good policy but they can increase it [the amount].

Interviewer: Okay what do you currently feel about the amount?

R: This is too low, I would say. Just knowing how hard it is to get by and looking at my own shopping bills. Knowing that's the little you can buy, you know how expensive things are. And trying to think that they still have to pay rent, especially if they are not live in. I suppose if it's a live-in arrangement then it's different cause then accommodation is paid for. Those that still have to pay rent somewhere else... so then they do have any more expendable money, there's not a lot left at the end of that month.

Employer of domestic worker, Gauteng

I: Okay uhm... let's go straight into talk about wages, how is it that you decide on the amount that you pay your domestic worker?

R2: With me it's just over a time, and for a long time it was at a rate of about R100 per day. And then just moved it up to R150 because it is ridiculous to pay somebody a R100 per day, but it wasn't based on the minimum.

Employer of domestic worker, KwaZulu-Natal

R1: I think it's a good starting point. Uhm... because it will end these practices that we're talking about. These practices where people are exploited, where people...based on them not having access to information, them not knowing what their rights are.

Employer of domestic worker, Gauteng

Domestic workers were not aware that they were excluded from the full NMW and were disappointed upon hearing this – sharing that they work very hard and yet security guards are in a much better situation. This made domestic workers feel undervalued as workers. On the other hand, a few domestic workers, especially in Cape Town, were happy to learn that they were earning well above the minimum. There were both positive and negative sentiments shared around the NMW. Most domestic workers are not knowledgeable about their rights and responsibilities generally and felt powerless to negotiate their wages and handle disputes due to a fear of losing their job.

R: At least now everything is exposed unlike back then.

R: And I also think that we are kind of protected because at least now we know, and the people that are come in and they won't be-, they won't accept anything less than what they should get. So it is some kind of protection.

Domestic worker, Western Cape

R: Hey, this government is playing with us because R3500 doesn't do anything and R2400 is worse, for the work that we are doing, and then other people charge caregivers.

Domestic worker, Gauteng

R: I just heard about it on the radio but I don't know how it works.

Domestic worker, Limpopo

R: I wonder why the domestic get less because that is a lot of work, because the securities just stand... they are getting a lot of money and we are working hard.

They are robbing us.

Domestic worker, KwaZulu Natal

R: We can't feel strong because the minimum wage as it stands is not enough for us so I can't say that.

R: it is very little because we are blessed that we are getting more than the minimum wage, because they are paying us more than the government says that they must pay us.

Domestic worker, Gauteng

R: Yes it will help so many people.

R: Yes because it protects workers.

R: Yes this law that was put is helping, things are changing.

Domestic workers, Limpopo

R: When you ask your employer for an increment, she looks at you like but I'm already paying you more, I am paying you a fortune. They tell you that they are doing you a favour the government ...is killing us.

Domestic worker, Gauteng

Despite the fact that employers felt that domestic worker wages were too low they were also aware of affordability concerns if wages were set too high. This came up especially around the topic of whether or not their domestic worker is able to progressively earn a higher wage. Some of the factors which contributed to their response were their personal circumstances and changes in their household dynamics, their age and the age of their domestic worker and some also mentioned the education and skillset level of their domestic worker.

R: Yes, truly speaking the circumstances have changed because I have always worked on a full-time basis, I had a basic salary and I knew it was quite affordable to have her. And currently I am not in the same position and that makes me a bit frustrated, and since I am not working I also contribute a lot towards some of the duties that she used to do on her own because I find it fair to do so, especially when I am not able currently to increase her salary to where I would have liked it to be.

Employer of domestic worker, Gauteng

R: Look I know it's above the minimum. But it's still not about a great wage but at the same time it should be fair. If she had to get like a going rate or, I'll say it, or what White people get per day or per hour or the rest of it, then I probably wouldn't be able to afford it, yeah.

Employer of domestic worker, Gauteng

R: It's out of necessity and what a person can afford, so you might have somebody with too little kids who need help but can't afford to pay the minimum wage. If you think about it the minimum is 4 hours a day at R20 an hour.

Employer of domestic worker, KZN

In Limpopo, one participant remarked that the NMW dissuades employers who cannot afford the NMW and workers who need employment, from negotiating among themselves:

I doubt because you see there's certain people who need the job and who don't meet the regulations to the country and what not, where in they have not been able to access jobs because of certain rules. So I think this should be an agreement between an employer and an employee. Maybe for example I am employed but I don't get enough money where I can afford the national minimum wage. But I need someone to take care of my kids, which that means I won't be able to work because I have no one to take care of my kids because of affordability. Wherein I can have a discussion with the employee that this is the amount I can get and this amount can also meet your needs.

Employer of domestic worker, Limpopo

Implementation experiences

Compliance

Reports from domestic workers, by and large suggest that there is compliance with the NMW. In a questionnaire conducted at the commencement of the interviews or focus groups, participants were asked to note their monthly wage which was captured in Table 2 and shows that the majority of participants were earning at or above the minimum wage with very few exceptions. What we did find is that there were significant differences in average earnings with domestic workers in the Western Cape and Gauteng earning more than domestic workers in Limpopo and KwaZulu-Natal.

Employers of domestic workers, especially in Gauteng and the Western Cape reported paying their domestic workers well above the minimum. Most employers did not have to increase the wages of their domestic worker after the introduction of the NMW because they were already paying above this level. Participants often shared that they would not feel right paying such a low wage considering the cost of food, rent and taking care of a family. Where increases did take place, they were unrelated to the policy since annual salary increases were common. While the employers of domestic workers we spoke to were, for the most part, compliant, in all provinces there were concerns that non-compliance and the exploitation of domestic workers was a widespread practice in South Africa.

R: I would not be surprised if this non-compliance is high. We live in a country where people with privilege. ...they very much look down on people of lesser privilege. And will quite happily treat them whatever way they feel like, so I wouldn't be surprised if that's the case.

Employer of domestic worker, Cape Town

R: I know that would be problematic for the domestic workers themselves, because if they were to demand a minimum wage then most of them would probably be out of a job completely. I know it's not the greatest way of justifying it but people feel rather they get something than nothing, although it's exploiting them. But a lot of people don't pay the minimum wage, that rate.

Employer of domestic worker, KwaZulu-Natal

R: It is, I don't think people give domestic workers the professionalism that they deserve, so, if you are in a corporate space like this, there are so many compliance issues that you are aware of that people in the home space are completely flouting, completely. Just from how many hours a domestic worker works, how much they pay them, benefits, hire and fire, warnings, things like that, contracts, none of that is being done.

Employer of domestic worker, Gauteng

R: Yeah it is possible because people are not educated on this matter. And nobody is monitoring these kinds of situations, so people [give] whatever they please.

Employer of domestic worker, Limpopo.

All but one employer of domestic workers reported paying above the NMW. Wages are determined primarily based on affordability, a sense of the living expenses their domestic worker incurs and what would be fair or reasonable, and based on what others pay. Employers, to a lesser extent, considered being above the law. Most reported annual increases, which meant that any increases in 2019 were not as a result of the introduction of the NMW but rather, a general commitment to pay an annual increase. Others, while wishing they could pay their domestic workers more, reported that they were unable to but tried to alleviate the workload by helping with the house work and by continuing to provide non-wage benefits. Most domestic workers reported still feeling as though they have no power to negotiate wages and simply accepted the wages offered out of desperation and fear of losing their job.

R: We don't exactly know how it's been counted; you just agree when they say 'you are going to come tomorrow; I am going to put on some money' then you say yes.

R: Hey- we are not talking about wages, if you come that day, they give you that money and then you go home. And at home my mom is not working now, so that's why I say we don't talk about the wages; they give me that money that they give me.

R: There's a lot of desperation, you don't ask a lot of questions. You just say yes because you need-, you are desperate.

R: Because you need the job, you don't acquire in for money you just say 'yes, yes, yes' and then when you are in you can see lots of people crying.

Domestic workers, KwaZulu-Natal

R: For the increase, you must fight for increase but in January I said my kid is going to school, and the cost of living is too high. Everything is going up so you must increase please and then you must leave like this, and then when I see my wages I said 'ok it's increased'.

Domestic worker, Western Cape

Non-wage benefits

We found that there were no changes in non-wage benefits since the introduction of the NMW. Most reported receiving some non-wage benefits such as food, transport, accommodation and in some instances, financial support for their children's education, gifts, and furniture and household appliances which were no longer used by the employer. There was unevenness in the payment of these and other benefits, except for December bonuses which were widespread but still not universal.

R: For me I think there's much change because my son went to a multi-racial school, most of them. So, from Pinetown boys High then they took them until further, so even the girl they are 2. So, they changed their lives for that because I cannot afford multi-racial school.

Domestic worker, KwaZulu-Natal

R: I am living in the premises, but I've got my own room, a nice room. Nice room with air con and I've got my own TV, video recorder, the things there, and they bought me a bar fridge and a microwave. That's nice, I don't want to lie.

Domestic worker, KwaZulu-Natal

R: Like for me since I started working last year so in January they just asked me 'do you have children, how old are they, boys or girls?' in January this year they bought everything for them. Like from stationary, school bags, uniforms and then at Christmas as well they just bought a few things like presents because I've got a little one, a 4-year-old. So, they just bought presents, maybe shows and stuff because I work for, I work for white people. So, for me, I am not saying I am comfortable, I don't want to say I am comfortable because I don't want to work there for the rest of my life, but for now it's ok because at least they meet me halfway. They ask me how my kids are and on Fridays, I know that they buy takeaways and they buy for my kids as well, then they come and drop me home because they know that traffic and that.

Domestic worker, Western Cape

R: Yes, when I have a problem maybe my daughter, whenever she is sick, they are taking her to their doctor.

Domestic worker, Gauteng

R: Yes. They love me so much, like everything I have now they bought for me. Everything including furniture at my house.

Domestic worker, Limpopo

Not all domestic workers reported receiving any of the above but the majority did get some form of non-wage benefits. Non-wage benefits are valued by domestic workers who receive them, especially when their children benefit from school fees being paid, stationery or uniforms bought. Other domestic workers spoke positively about the fact that they could speak to their employer if they were going through any troubles and get a loan, whereas that would not be possible working for someone else. Others were happy about the fact that they were registered for UIF and that contributions to a pension fund were being made so that they would be left with something when they eventually stopped working. However, there were also many negative experiences with non-wage benefits:

R: Sometimes they give you the grocery in a bad way because they would give you something they don't want anymore, like even if it's something you have to eat during lunch they just take the old stuff they don't need and they put it on the sink and they tell you 'this is your lunch'.

Domestic worker, KwaZulu- Natal

R: Mine is totally bad, it's a toilet size, bathroom size room and I can't stay, it's even worse now that I am staying with my daughter. It's just nothing and then the condition is not for a person that is permanent, it is not good at all.

Domestic worker, Gauteng

The comment below is an example of a domestic worker who was particularly frustrated about the treatment she received as a domestic worker. There were a few other participants who mentioned receiving groceries that were not fresh.

R: They take off the chicken skin and they take off all the fat, they just put it there and I remember one time when I started working with those people, those fats she said Ethel you can take this. Some of the Zulu ladies they take this and mix it. I said no, I don't eat this. She said take that and put it with Stampa and eat. Chicken skins, with fat that fat inside they don't eat but you must eat it because you are a dog. The treatment that we face is really different, some it is painful, some of the things. And to add onto that even their working hours they are too long.

Domestic worker, Gauteng

R: When the year ends you also have to be like other women and get a bonus, I don't get anything! You just get your normal salary and go with it, even if she gives you a bonus of R500 its fine. Every year when she is supposed to increase my salary, I mean ever since I reached the age of 60 its always going down I don't get a bonus just like other domestic workers. That's what angers me the most.

Domestic worker, Gauteng

There seemed to be some confusion about non-wage benefits and whether or not these should be included in the wage calculations. Even though most employers of domestic workers reported that the non-wage benefits they gave their employees were made in addition to the monthly wage, there was a sense that offering these non-wage benefits made up for the low wages, decreased living expenses for their domestic worker or increased the overall value of their total package. Overall, there were no changes in non-wage benefits due to the introduction of the NMW policy.

R: When I calculate it, they give me a lot of money, beyond what they pay me.

Domestic worker, Limpopo

R: Maybe that's why they give me this amount because of food, I eat theirs. I was eating everything, even meat, nothing was short.

Domestic worker, Limpopo

R: But not for my job, I think it's because they are giving me a small amount and they take that money for my kids to pay for their education. But it's good for me because my children are going to school.

Domestic worker, KwaZulu-Natal

R: For me, I prefer it stays that way because that 25% every year in January she pays 18 000 to my children's school. So, she can't give me an increase of 18 000 so that 25% of school and my daughter is going to high school next year so it's going to be more than that.

Domestic worker, Western Cape

Working conditions and unfair labour practices

Both employers and employees reported that there were no shifts in working conditions which they attributed to the sectoral and NMW dispensations. There were, however, some interesting findings on the working conditions of workers and the unfair labour practices they deal with. The findings mostly relate to the informality in this sector.

The majority of employers and employees report not having a formal, written contract in place. And while there is nothing inherently wrong with having a verbal contract it does seem problematic that there were no clear boundaries in place in terms of the employer-employee relationship. Some domestic workers reported being asked to do more work nonchalantly, that they were expected to wake up earlier than everyone else and end work after 18:00 and yet they did not get paid overtime. They rarely disputed these issues because they did not feel protected and were simply not aware of their labour rights. This made it difficult to hold non-compliant employers accountable in these instances. Employers and domestic workers had the following to say about contracts and informality:

R: I am not sure if it was a contract or what it was, I don't know what it was but for me it was just the one that they gave me the job and say they'll register me, then after that there is nothing.

Domestic worker, KwaZulu-Natal

An employer of a domestic worker in Cape Town said the following:

R: Maybe that's another reason why they don't feel confident to go, because they know how informal their scenario is. It's the informality of it, because they would need documents cause the first thing they ask is for your ID or your contract, what does your contract say why you think your boss is [in contravention]. They ask for proof and their salaries so they can see what your deductions were, but you know. That's a kind of thing I've dealt with at the CCMA in my own capacity as an employee.

And another employer in Gauteng said this:

I don't think people give domestic workers the professionalism that it is deserves, so, if you are in a corporate space like this, there are so many compliance issues that you are aware of that people in the home space are completely flouting, completely. Just from how many hours a domestic worker works, how much they pay them, benefits, hire and fire, warnings, things like that contracts none of that is being done. Employees reported experiencing a number of challenges, many of which are exacerbated by not having a formal, written contract. Many are not registered for UIF and do not receive formal benefits such as a provident fund or medical aid. Furthermore, it seems that job descriptions were not clearly discussed and therefore changed often. For example, a domestic worker in Limpopo said her employers would make her sweep the yard outside because they were not willing to pay a gardener to do so. While this was an isolated incident and not widely reported among domestic workers in this sample, there were reports of working long hours and being asked to do more work. It is also unclear how overtime is calculated, with some domestic workers receiving money equivalent to their transport fare for working overtime. One participant in KwaZulu-Natal remarked that they 'just employ you without discussing chores or money and then thereafter you are told what to do'. In Cape Town there seemed to be better knowledge about overtime pay as there were standard rates charged among domestic workers for doing additional tasks like ironing. Those affiliated with unions/representative organisations were more likely to negotiate wages than those who were not organised. We found that, even for foreign nationals, who are typically exploited further due to being undocumented, a tipping point was being organised and adequately informed about labour rights. The combination of the support and education received through membership in an association put these domestic workers in a position where they could more confidently approach employers, remind them if they were due for a raise and negotiate their wages. Participants in Cape Town were not formally organised but similar to the IZWI members, they also spoke up to their employers.

R: For the increase, you must fight for increase but in January I said my kid is going to school, and the cost of living is too high. Everything is going up so you must increase please and then you must leave like this, and then when I see my wages I said 'ok it's increased'.

Domestic worker, Western Cape

While non-wage benefits are provided these are generally on an ad hoc basis and vary from employer to employer. Domestic workers also experienced changes to the nature of their work which were not originally agreed on such as washing cars, looking after the children of relatives, being asked to do garden work and often working overtime without any or adequate pay. Participants also complained that they were not always

compensated for the additional work responsibilities. Requests were often made at the last minute and compensation was not discussed up front.

R: I know of my neighbour, she the lady can come in around 6 in the morning. She leaves around 6 in the evening. So, looking at those long hours you can see at the end of the month, you might find that she is even getting lesser than what my helper is getting.

Employer of domestic worker, Limpopo

R: We don't exactly know how it's been counted; you just agree when they say 'You are going to come tomorrow; I am going to put on some money,' then you say yes.

Domestic worker, KwaZulu-Natal

R: Like sometimes they are going to ask you to come on a Saturday because they're having visitors or friends... And it's not what you agreed on before.

Domestic worker, KwaZulu-Natal

We also found significant overtime demands, especially for live-in domestic workers.

R: I die for their house they are not at home they are at work and when they come back I am cold and my children would have nobody to look after. And the same day they would just replace me, that's all and there is nothing my children would have.

Domestic worker, KwaZulu-Natal

R: And also working overtime without being paid, because I've got a friend who they said to her you can come at 7 but then leave when you finish everything. So sometimes she would go home at 8, she would go home at 8 because they would say 'do the ironing, take off all the curtains and wash them' so I think I can call that unfair.

Domestic worker, Western Cape

R: I wake up at 5 o'clock, I start working at 5 o'clock they are still there. I am looking after a child, I am cleaning the house, I am washing, and I am ironing. 5 o'clock the child is awake I have to wake up and attend to that child and they are still there, and they are not yet gone.

Domestic worker, Gauteng

But a benefit that some reported was having very flexible working hours and being paid for a full day but being able to leave when work was complete. This was confirmed by many of the employers we interviewed, many of whom reported leaving their domestic worker to decide what tasks needed to be done and then leaving when they were done. Employers of domestic workers did not report any changes in the working conditions since the introduction of the NMW. Most had no knowledge about DEL inspections, while one or two had been visited years back in relation to compliance issues and registering domestic workers for UIF. None had been visited by an inspector themselves nor did they know of anyone who had. Concerns were also raised about how cases were dealt with at the Commission for Conciliation, Mediation and Arbitration (CCMA) and the lack of finalisation thereof:

R: I've had one case of the CCMA, but they never really did follow up with me they sent me an email, I responded, and I never really heard from them again. It was more like a paper trail, just know that this has happened, and this is where we are, but I never heard from them since.

Employer of domestic worker, Gauteng

An employer in Cape Town felt that domestic workers without documentation, as is often the case, are at a disadvantage when they report cases because without information and documentation, it becomes difficult to prove your case:

R: I've dealt with the CCMA, but I've had to have my payslip, I've had to have my contract I had to have all of that, there was proof that I have job. Like I'm saying there's no documentation if they go to CCMA the employer could just say I don't know who this woman is, what is she talking about?

Possible reasons for why employers are not complying with contract obligations could include the fact that many do not perceive themselves as formal businesses and so do not understand that they have the responsibility to comply. And some even reported that contracts have never been the norm and that they have never been asked by employees to provide a contract. An employer of a domestic worker in Gauteng reflected about how the professionalisation of the sector needs to be two-fold: employers taking more responsibility and taking the employment of domestic workers seriously and with domestic workers seeing themselves as professionals:

It is but it also overlaps, because also domestic workers as well; if they see their job as a professional the same way as I come here every day and I know that there are policies and processes in place that I need to follow. This is a professional environment this is how I behave, this is what I do...So, both parties have to come into play that this is a working environment, this is what I'm going to do, and this is what you need to etc. I think it dates back [to the past] I don't know how to fix it, it's very much an attitude thing.

Often there is a blurring of the line between 'family member' and 'worker' in the ways in which employers speak about their domestic workers. On the one hand, there is the acceptance of the need for the professionalisation of domestic work as an important step in acknowledging the value of domestic work as part of the care economy and its vital role in social reproduction. Some employers used the word 'privilege' to describe having a domestic worker, while acknowledging that domestic workers make life easier and should be paid a better wage. On the other hand, there were concerns around affordability and a worry that strict legislation would leave people unable to negotiate work for themselves where employment is scarce.

4.4. KEY INFORMANT INTERVIEWS

Key informants: Department of Employment and Labour inspectors

Interviews were conducted with six inspectors from the Department of Employment and Labour in Cape Town and Durban who were either provincial chief inspectors or who were operationally involved in the enforcement of the NMW policy. Their duties involved advocacy, conducting reactive and proactive inspections and initiating enforcement processes. The inspectorate perceives non-compliance to be largely due to a lack of information and awareness among employers in the domestic work sector. This was confirmed as the reason for widespread non-compliance reported in interviews with employers. Inspections in the domestic work sector were challenging due to:

- problems with accessing private residences;
- employers are not always at their place of residence and may refuse inspectors access or delay inspections processes;
- social and relational dynamics between employers and employees makes it difficult for employees to lay a complaint; and
- lack of capacity of the inspectorate to conduct proactive visits, with smaller offices having to wait for larger offices to carry out inspections.

Further, few households are chosen for inspection from a list of UIF registered employees and because so few domestic workers are registered for UIF, this remains an ineffective way of monitoring compliance. Nonetheless, the more common proactive inspections where inspectors go door-to-door to a selected group of employers, take place twice a year and from these inspections, it emerged that a lack of overtime pay and written contracts were two major challenges. These were also the issues which came up in our interviews with employees.

While the agriculture sector faces its own set of challenges, there is better compliance with wage rates. It appears that there are also more reactive inspections conducted on the basis of complaints received, although it seems the bulk of inspections that take place are proactive. Inspectors in the Western Cape noted that smaller offices face capacity issues and rely on the assistance from the Cape Town office. According to inspectors, they have not had any negative experiences in KwaZulu-Natal or in the Western Cape. This could also be due to the fact that farmers are notified of the visit ahead of time – a week prior to inspection, even if it is a blitz or reactive inspection.

The current strategies, that is, information sessions in communities, radio campaigns, the distribution of pamphlets and roadshows, are reported to yield very little success. Inspectors are aware of the need to create better and more widespread awareness about the NMW, particularly in the domestic work sector. In the agriculture sector there are information gaps too – especially where accommodation and food are concerned. Inspectors pointed out that task-based payment systems need to be eliminated and farmers need to understand that accommodation and food are not included as part of the wage package.

Findings from key informants: Agriculture sector

Three sub-themes emerged from the interviews with KIs such as academics/researchers, experts and representatives of agricultural associations. The first sub-theme refers to the changes that occurred in the agriculture sector, and second, how farmers responded to these. A third sub-theme presents their perspectives of the issues and challenges with compliance to the NMW.

Changes in agriculture over time

The agriculture industry is undergoing significant changes that are impacting both farm workers and farm owners. KIs described the structural changes that the sector is experiencing which is paraphrased as follows: Many farmers are going out of business and these farms are being reconsolidated by their neighbours into larger enterprises. Many parts of the sector have also experienced increased mechanisation and automation which has primarily contributed to the destruction of employment and the increased use of seasonal labour. Those farming in grain, for example, have cut employment notably over the past 10 years in order to boost efficiencies and compete in a global market. On the other hand, some enterprises such as horticulture which produces fruits, vegetables and export fruits, cannot be fully mechanised and so labour would not be affected here and one could even see employment gains. Expansion of the horticulture sub-sector would result in the employment of more seasonal workers. Due to fluctuating input costs like the cost of fuel, seeds, pesticides, tractors, farmers will always try to keep their costs down and increase efficiencies, sometimes at the expense of labour.

KI (academic/researcher) explained that these changes had unintended consequences and "created social turmoil in rural towns, unemployment, drugs..." Farm schools, clinics and crèches which were previously subsidised by the Department of Education, were no longer subsidised by the new political dispensation; making it challenging for farm workers to get their children to schools in rural towns. Another unintended consequence of legislation was the introduction of the Extension of Security of Tenure Act 62 of 1997 and the way in which farmers responded to it. The Act provides for long-term security of tenure, regulates the conditions of residence, circumstances under which tenure may be terminated and evictions, among other things.

On the one hand, the right to housing and prohibition of evictions created a situation where farmers preferred to transport their workers to and from the farm rather than dealing with the difficulty attached to providing them with housing. People were moved off the farm and into shanty towns around the rural areas and fewer farm workers lived on farms. In other cases (usually large farmers), farmers built and improved housing, even providing title deeds and rental agreements so that farm workers could access basic services. These are just some examples that were cited of how farmers have reacted to new legislation, often but not in all cases, at the expense of workers.

According to Professor Johann Kirsten, University of Stellenbosch (personal interview), farmers also do not feel adequately supported by government regarding the issuing of licences and certificates, disease management, compliance with the country's importing systems, road and rail infrastructure which impacts the time it takes to get produce to market, theft and crime on farms, the availability of irrigation water and the quality of such water. The perceived lack of support, coupled with uncontrollable factors like climate change and the price of fuel and equipment, put pressure on farmers and affected profit margins. These changes together with changing legislation influenced the responses of farmers for better or for worse.

Responses to the new NMW policy

KIs, to a large extent concurred that because agriculture is a sector which has a long history of extreme exploitation of its workers, having substantive guidance on what the minimum wage is, is a good thing. However, there was consensus among the KIs that first, the NMW is very low. Second, that on a positive note, farmers are using the NMW as a benchmark, which has improved wages overall. Third, that despite these changes the new NMW policy has also slowed down employment growth. Fourth, there is an over-supply of unskilled labour in rural areas; these workers are most vulnerable to either being exploited or who struggle to get absorbed into the labour market because of legislated wages. Lastly, due to multiple pressures, including the NMW legislation being one factor, the agricultural sector is now less able to absorb this large group of unskilled labour. The observation was made by the interviewees that while the majority of farmers are compliant with the NMW and pay at or above the legislated wage rate, they have adjusted their responses in other ways.

Some farmers have responded by using the system to their advantage and by shifting risks to workers. This is achieved, for example, by reducing non-wage benefits such as rations for food or the number of transport trips they provide. Furthermore, the pressure on profits leads to cutting seasonal and temporary workers and letting existing workers work for longer periods to provide some saving, according to a KI, (academic/researcher). It is not clear whether seasonal jobs are cut or if the employment of new seasonal workers has been halted. There is also no consensus among the participants interviewed on the issue of who gets cut first when cost-cutting measures are in place, since some of the KIs feel that farmers react by increasing seasonal workers and employing fewer permanent workers. A KI (academic/researcher) in the Western Cape says that farmers also adjust by trying to increase productivity and supervision as well as maintaining the more productive workers and by doing the same job with fewer workers through better incentive schemes.

Yeah and farmers are also able to [say]... "this is the amount of work that you need to do today and whether you finish this in 2 hours or you take 10 hours to finish it, it's up to you but this is the amount of work that I need you to do today" so that they are able to reach their targets as farmers. But the payment is the same, whether you take 10 hours to finish or you take 2 hours you get the same amount.

KI (academic/researcher), Western Cape

In some instances, the number of hours worked are reduced so that the farmer does not have to pay more than they usually pay, while focusing on productivity and targets, by stipulating what work needs to be completed each day. So even though mass retrenchments have not been witnessed, farmers have become strict with targets and the monitoring of their workers. This was confirmed by employee interviewees reported on above.

In this regard the above KI said that 'deliberate seasonality and casualisation has also become an issue especially for interpreting conditions of employment. Seasonal workers are brought in during peak production periods, but we now see a trend emerging where many are working beyond this peak season for a total of up to nine months of the year', which is also described in Visser and Ferrer (2015). Paid leave is interpreted as only applying to workers who have worked for four months continuously, making it easy for seasonal workers to lose out on leave benefits. In this regard the examples mentioned above show how there is possibly too much flexibility in how labour legislation is being interpreted and used by the employers for their own benefit (KI academic/researcher).

Enforcement of the NMW

While there is an understanding by KIs of the limitations and difficulties associated with inspecting NMW compliance on private property, the shared sentiment is that inspections are not carried out thoroughly and effectively.

I have not seen rigorous inspections on these compliance issues.

KI academic/researcher, Western Cape

There is a lack of confidence from the KIs interviewed about the inspection process and its efficacy. Inspections are perceived as being very relaxed and the participants felt that the DEL has been falling behind in terms of efficiency in other areas, that is, its system of filing UIF is inefficient and the compensation fund is not paying medical practitioners that deal with injuries at work. One of the KIs indicated that there is also a perception that inspections are selective and fail to go into all areas – taking place mostly on large farms where compliance is not an issue and where the working conditions are up to par. The smaller, more remote farms are not inspected. It is also at the more remote farms and parts of the country where foreign labour is most prevalent. Since these undocumented workers would have no bargaining power and thus, could fall victim to low pay and unfair labour practices. The overall sentiment is that the Department needs to do a better job at ensuring that the work of enforcing the policy is done and it also needs to be more proactive in its approach.

One of the KIs raised a procedural issue with the inspection process. Farm workers are meant to be represented by a union member during inspections but because so many farm workers are not unionised, they are not represented. This results in a skewed picture of what is going on regarding working conditions on farms when inspection reports are written up.

The challenges faced in the agriculture sector are structural and so, in recommending ways to improve the implementation of the NMW and improve stakeholder experiences, one must remember that everything is linked and that one thing affects the other, according to a KI. A KI said that:

...government has to do more to encourage collective organisation of workers, on the one hand and on the other, to assist farmers...

KI, academic/researcher, Western Cape

Further, the use of incentives to improve compliance was mentioned, rather than punishment of farmers. The point was stressed by one of the KIs that in most cases,

Your larger farms have more to lose and also have the means to comply, whereas the smaller farms in remote areas do not have incentive to comply. Incentives could be in the form of recognition, granting access to licences for exports, issuing of certificates or a social subsidy which compensates farmers for absorbing costs related to providing social services such as clinics, crèches, schools and housing to farm workers. Another way of incentivising

farmers would be through trade agreements and finding ways to give farmers more control of pricing exports. Pricing could then incorporate a living wage, placing less strain on the farmer to cut costs at the expense of labour.

On the other hand, KIs emphasised that workers need to be better supported, informed and represented. The balance of power is still skewed in the direction of employers and bearing in mind how unequal this society is³, this power needs to be spread more evenly. In this case, government could do more to support trade unions financially and support the subscriptions of seasonal workers. This way, the most vulnerable workers will have the bargaining power, through union membership, to advance their interests. One of the KIs said that it is also impractical to continue meeting workers off the farms and during times when farm workers are obviously unavailable and so some thought needs to be given to the issue of access and creating environments which support the organising of workers.

An employer organisation representative was of the view that there is too little engagement and consultation from the DEL with those who represent farmers on the ground.

Consult with people directly and understand what issues they are experiencing and then draft legislation that will speak directly with the issues that people are raising. I believe that will for me result into dramatic changes on the ground.

AFRA representative, Pietermaritzburg

Further, KIs pointed out that farm workers should also have a say in who represents them and structures should allow for this. The DEL should improve its consultation with all stakeholders, including unions, associations, community-based organisations and commodity group organisations, especially on issues of compliance.

Findings from key informants: Domestic Work sector

Three KIs were interviewed (see Annexure 1), all of whom represented organised labour in the domestic work sector. They all worked closely with domestic workers, providing case support in labour-related matters, labour rights education, advocacy for domestic worker rights and organising workers. Overall, the sentiment of all three KIs was that domestic workers remain a vulnerable group of workers who experience unfair working conditions, are exposed to unfair labour practices and other labour rights violations in the workplace. There was also agreement among KIs that domestic workers should be paid a living wage and not be excluded from the full NMW. A lack of knowledge about rights and legislation from both employers and employees remains a problem.

Knowledge and perception of NMW policy

According to all three interviewees, domestic workers either do not know about their rights or those who do know their rights, find it difficult to confront their employers about violations. This lack of knowledge applies also to employers who are uneducated about their own rights, roles and responsibilities. The interviewees also concurred that this situation is compounded by the fact that few organisations exist that represent and support domestic workers. Other than the South African Domestic Service and Allied Workers Union (SADSAWU) and the United Domestic Workers of South Africa (UDWOSA), no other trade unions exist specifically for domestic workers, and the reach and capacity of these organisations is limited which is also confirmed by other studies (see Budlender, 2016). Further, one of the KIs pointed out that the challenge is that domestic workers are hesitant to engage with unions because of fear of losing jobs.

New technology-enabled developments in the domestic work sector were discussed with KIs. It emerged that there is increasing use of technology and social media bridging the knowledge, access and support gaps in the domestic work sector. IZWI Domestic Workers Alliance for example, which does not identify as a union, described new engagements with workers as follows:

... community WhatsApp groups has made it possible for domestic workers to interact with one another, share challenges and ask questions leading to more domestic workers who are better informed and educated and who have support networks. In this way, domestic workers who previously had no support and lacked the confidence to raise their grievances with their employers, can become empowered through their engagements with other domestic workers in the same community.

3 South Africa is known as one of the most unequal countries in the world, reporting a per-capita expenditure Gini coefficient of 0,65 in 2015 (Stats SA, 2020)

IZWI Domestic Workers Alliance representative

...some of them...they know how to confront their employers and say this is supposed to be done. Because I was impressed – Smangele told me last week that, 'You know what? I wrote a letter and leave it on the table for my employers. I was asking for the increase and then they responded and leave on the table for me and then they said, 'Okay thank you so much for reminding us. We totally forgot that this is a new year', which is a change because she is empowered by Izwi to do that.

IZWI Domestic Workers Alliance representative

Domestic workers feel empowered when they are supported and organised.

IZWI Domestic Workers Alliance representative

An interviewee said that it did not make sense

To further institute poverty by keeping these workers at a rate lower than other sectors and lower than a living wage.

IZWI Domestic Workers Alliance representative

The sentiment shared by KIs was that the sector should be professionalised and brought up to the same level for all workers and that this would constitute real change, one that would break with past and continued discrimination against domestic workers.

We are also workers; domestic workers are workers too and they are parents too...like each and every parent. So, why we are the last to be recognised- it's not the first time about these things. Most of things which are happening like eh, like the minimum wage, we are talking about now - even before the LRA-labour Relations Act. Other workers were recognised immediately but domestic workers were left behind. Until we stand up and make noise that we are not recognised with this and that, why? Why we are the last to be seen as workers while we are workers.

KI, SADSAWU representative

Domestic workers are always the last to be recognised as workers when it comes to labour rights, according to a SADSAWU representative. The KI explained further that a challenge with domestic work is how the work is perceived as unskilled work that can be done by anyone as part of one's household responsibilities and chores. Taking care of the family has always been seen as a woman's role and has never been recognised in this country as real and paid work, even though it is an intensive amount of labour. Moreover, the blurred lines in the employer-employee relationship, especially with live-in domestic workers creates a less professional environment where the domestic worker is seen as being a part of the family.

The IZWI representatives spoke about the impact of a lack of social recognition of domestic work and its psychological impact of knowing, as a domestic worker, that you get less than other workers in the country and all that this implies about the value of your work. The interviewee called for a conversation that needs to take place about professionalising the sector, especially because getting domestic workers written contracts, getting them registered for UIF and giving them payslips has proven challenging. Further, the representative argued that the enforcement of these formal elements of employment might lead to the enforcement of other rights.

According to the SADSAWU representative, sexual and other types of harassment and rights violations are still prevalent; however, workers still do not like talking about the verbal and physical abuse they experience, meaning many cases go unreported. As alluded to above, interviewees reported that few workers are registered for UIF and employers are not held accountable. One of the biggest challenges is with live-in domestic workers who often work overtime without being paid. It is more difficult to draw boundaries regarding working hours for a live-in domestic worker. But domestic workers who find employment through labour brokers or digitally enabled employment agencies like Sweep South face their own set of challenges. On the positive side, new digital platforms enable those who do not have social networks to be linked to



employment opportunities. They also give workers personal agency and flexibility in that they can decide when they want to avail themselves for work opportunities. On the other hand, it was reported by all our KIs that the labour rights of domestic workers are compromised on these new platforms. These platforms operate on a no work no pay system which means domestic workers would not be paid sick leave and would also not have some benefits that come with having a direct employer, such as being able to access interest-free loans. KIs recommend that new digital platforms need to work alongside organisations that protect domestic workers' labour rights so that they can better understand the challenges and experiences of domestic workers and mitigate against their exploitation.

Enforcement of the NMW

Concerning the expanded mandate of the CCMA, there were positive remarks made about this especially because KIs felt that wage issues were now being dealt with. The short-term positive is that previously, they struggled to get outcomes and case support from the Department of Employment and Labour. However, an IZWI representative took issue with the fact that NMW non-compliance was treated as a reconciliation and mediation issue (which are the types of issues the CCMA deals with traditionally) rather than an enforcement issue. Rather, non-compliance is a breach of legislation and should be dealt with as such – not as something to be negotiated but something to be enforced. Since union membership is so low, workers remain at a disadvantage because they lack representation. There was also recognition of the enforcement challenges experienced by labour inspectors in accessing private property where refusal of entry is legal.



5. EFFECTS OF COVID-19 AND THE LOCKDOWN ON EMPLOYMENT AND EARNINGS

The researchers managed to ask a few participants in Gauteng, Limpopo and Mpumalanga whether and how they had been affected by Covid-19 and received mixed responses in the domestic work sector. Two participants reported that their domestic workers have not been working since the lockdown began but were still being paid; for others, they are not working and, therefore, not getting paid. One employer of a domestic worker in Gauteng mentioned that her domestic worker was getting paid more since her relatives had moved in with her during the lockdown. We are not sure how the extended lockdown period may have affected domestic workers' working arrangements since we interviewed these participants between April and May 2020. Most participants, that is, farm workers and employers of farm workers, in the agriculture sector said their operations were not affected by the pandemic since they were delivering an essential service. The major changes for the sector were safety and hygiene precautions and measures they needed to adopt. There was one farmer in Mpumalanga who remarked that their operations were somewhat affected. According to him, 'The effect of restrictions has crippled the support services [required] to maintain production and disrupted the supply chain down the line'. This means that he struggled to import machinery and other production equipment, all of which contributed to the efficiency of his business operations and outputs. A farm worker in Mpumalanga also shared with the research team that restrictions made meeting with the union more difficult and progress with trying to fight for better wages slow. One farmer in Limpopo remarked that Covid-19 had improved business for him, while a seasonal worker in Limpopo reported that since signing their contract they had not been called in to work because of the restrictions. While this was an isolated incident, it is possible that seasonal workers and those trying to enter the labour market would have struggled during the lockdown period.

6. DISCUSSION

The key findings of the participants' experiences and responses in the first year of implementation of the NMW in the agriculture and domestic work sectors are summarised and their implications for implementation discussed. The findings depict the recurring themes across the interviews and are not representative of the two sectors nationally. The limitations of the study were noted in Section 3.6 and the following caveats are important to note. First, although efforts were made to ensure diversity of perspectives across categories of stakeholder groups, this could not be assured at all times. Second, it could be that the employers of domestic workers were already compliant with the legislation which may account for the mostly positive views expressed. Third, the nuances in sub-groups of participants could not be fully explored. This was because the samples were too small and some groups were under-represented in some categories. For example, few seasonal workers and smaller numbers of female farm workers were interviewed, whereas in domestic work, there were few part-time and live-in workers. Nevertheless, the findings of employers and employees in the two sectors when triangulated with the KI interviews and the literature review, do provide fairly consistent themes and sub-themes across the two groups of interest to this study. The data provides a good indication of overall views, experiences, perspectives and responses of participants to the NMW in the first year of its implementation.

6.1. COMPLIANCE WITH THE NMW

There appears to be fairly good compliance with the new minimum wage in agriculture with slightly lower levels of compliance in domestic work. There were provincial differences for both sectors with 71% of farm workers receiving above the minimum floor compared to just over two thirds of domestic workers who disclosed their income. Average wages for farm workers were lowest in KwaZulu-Natal (R2 322 per month) and in Limpopo (R2 240 per month) for domestic work. In these two provinces there were participants who received wages below the minimum wage for farm work and domestic work. At the upper-end, average wages were above the minimum wage for farm work in Mpumalanga (R4 344 per month) and in the Western Cape (R3 987.50) for domestic work. There were no differences in wages received by foreign domestic workers particularly for those working in Gauteng. The few seasonal workers in agriculture who participated in the study received lower wages than full-time workers.

The sample was made up of largely full-time workers for both sectors and no comparisons could be made between wages for full-time and part-time workers. No differences were discerned between male and female farm workers among the participants in the sample. In the domestic work sector, where the majority are women, a quarter of the sample continued to remain vulnerable to earnings below the minimum wage for this sector. Stakeholder perspectives as to whether these improvements in wages may be attributed to the NMW was mixed. In the agricultural sector, employers and key informants attributed increased wages over time to the introduction of both sectoral minimum wages and the new NMW. This was not the case in the domestic work sector in that employees and employers indicated that the increases were related to normal annual wage increases rather than the new minimum wage policy.

6.2. KNOWLEDGE OF THE NMW

Both employers and domestic workers had limited knowledge of the NMW compared to the agriculture sector where both groups indicated good knowledgeable of the new policy and its requirements. Among employees in the agriculture sector who were members of a union, there was greater knowledge of the new policy which was also the case among the domestic workers, although the level of unionisation in the latter sector is very low (Budlender 2016).

6.3. EMPLOYEE PERSPECTIVES OF THE NMW AND EXCLUSIONS

In both sectors, employees were of the view that wages were too low. Farm workers expressed indifference to the national minimum wage with some stating that it brought very limited improvement to their lives and 'no real changes' in their actual wages as the increases were too small. Although some farm workers conceded that wages increased somewhat, this was accompanied by fewer farm workers being employed and having to meet higher production targets. In short, fewer people were now employed to do more work. The length of the work day was extended to meet production targets with fewer breaks accompanied by greater surveillance of productivity. Foreign workers without documents were also considered to be most vulnerable to low pay, especially those living on small and remote farms, which meant that they were in a weak position to negotiate wages.

Resentment was expressed by some employees about the exclusion of the agricultural sector from the full NMW; these participants called for equal recognition of all workers. Domestic workers in the study were unaware that the sector was excluded from the full NMW and the rationale for this. However, when this was explained to them, the participants felt aggrieved and disappointed. Like farm workers, they called for the social recognition of domestic work, for improvement in the position and status of domestic workers along with other economic sectors. This view, as one might expect, was also strongly articulated by the key informants representing worker organisations.

6.4. EMPLOYER PERSPECTIVES OF THE NMW AND CHANGES IN THE SECTOR

Employers also expressed strong support for a living wage for domestic workers. Some argued that domestic work made an important contribution to the care economy and that there was need to overcome the invisibility of the sector and to acknowledge the value of the work that they do and the skills required to do so. However, while most employers interviewed were supportive of the inclusion of domestic work in the NMW, some expressed concerns about affordability as their personal circumstances changed due to loss of employment or financial difficulties that they experienced. In view of these challenges, reducing the number of hours worked is likely to be one of the options that employers of domestic workers are more likely to pursue including the reduction of non-wage benefits.

Contrary to the sympathetic views of employer participants in the domestic work sector in the study, this was not the case in the agriculture sector. A large number of employers expressed resentment about the impact of minimum wage increases since 2012 and of the impact to the NMW on labour costs and the viability of their businesses. They argued that increased labour costs above a quarter of their turnover would make it difficult for them to absorb the growing wage bill, which in turn may trigger reductions in employment and non-wage benefits. An increase in the use of temporary workers and seasonal employment was confirmed by both farm workers and employers. Seasonal work was most prevalent in the Western Cape which accounted for six out of ten workers. Job losses, especially among low skilled workers and increased use of seasonal workers and temporary workers, was a recurring theme in the conversations with employees and employers alike. Job losses were perceived to be associated with a shift to technology intensive production methods that required more skilled workers. Farmers reported having to offer financial incentives to skilled staff to enhance retention in a competitive environment where there is high demand for skilled staff from neighbouring farms. Balancing these pressures with meeting wage increases for lower skilled workers appeared to be a challenge for farmers. The view that farmers could not absorb wage increases to equalise the minimum wage in agriculture with other sectors was not shared by the KIs (researchers/academics) who were interviewed. This appears to be especially the case for large enterprises while smaller farmers might struggle to meet the NMW. Also sub-sectors in agriculture were impacted differently by mechanisation since some sub-sectors lend itself to greater use of machinery while others were more labour intensive. And in some sub-sectors there appears to be scope for employment growth in the future.

Nevertheless, both groups (employees and employers) concurred that there are significant structural changes occurring in the sector which impacts minimum wages and the growth of the sector. These include among others, the consolidation of smaller farms into mega-farms, increased mechanisation, concerns over the value of land, poor service provision e.g. irrigation water, poor quality water and inadequate road and rail infrastructure. Other factors beyond their control such as climate change and fuel prices placed additional pressure on farmers and affected their profit margins. Farmers also perceived government to be unsupportive in relation to regulatory requirements that affected their operational efficiency e.g. disease management, licensing, issuing of certificates of compliance and in imports and exports. To mitigate these perceived impacts, an employer in one of the focus groups thought that government needed to provide farmers with a longer time horizon and a five-year plan with targets to work towards.

6.5. NON-WAGE BENEFITS

Turning to non-wage benefits, it is evident that a range of benefits were paid in agriculture and domestic work. These included on the one hand, transport allowances, food, clothing, accommodation and on the other hand, more traditional benefits such as bonuses, medical aid, retirement and provident fund contributions. Other types of benefits mentioned were meeting the costs of skills training, the payment of child care and school fees, loans, mobile data and access to Wi-Fi.

A strategy used by employers in agriculture to manage wage increases involved reducing non-wage benefits. Increased employment of seasonal workers appeared to be one way of curtailing labour costs as no benefits are required to be paid to them. Another strategy is through reduced investment in skills training, non-payment of medical emergencies and deductions for transport from wages of farm workers now living in surrounding informal and formal settlements. Provincial variations were however reported in the provision of benefits with some farm workers reporting not receiving any benefits, while in other instances only UIF was provided for. There was a lack of clarity among farm workers about whether non-wage benefits formed part of their wage or not; some did not seem to know whether these were deducted from their wages or not e.g. accommodation and for transport. There was also confusion about rates for piece work and task-based work. Workers also complained that they in fact earned less since the NMW was introduced because previously they could earn more for task-based work such as packing.

Similar confusion about how to account for non-wage benefits seemed to exist among domestic workers and employers. Contrary to farm workers, no changes in non-wage benefits were reported by domestic workers since the introduction of the NMW. There was however substantial unevenness in the payment of benefits. Where these are paid, they tended to be ad hoc and varied from employer to employer. None of the domestic workers had a written employment contract which, although not legally required, reflects the informal nature of the employment arrangement. Few employers contributed to UIF, but most paid December bonuses. Some employers made large contributions such as payment of school fees in good quality schools. In these instances, it seems that workers were willing to forfeit higher wages in exchange for school fees for their children. Finally, new technology platforms to connect workers and employers in domestic work is a positive development for the most part, however it is evident that these workers are disadvantaged when it comes to the receipt of non-wage benefits.

6.6 MONITORING OF COMPLIANCE

Although the term compliance referred to the NMW specifically, participants had a broader view of compliance which included working conditions and compliance with other relevant labour legislation, such as the BCEA, and also included the role of government in monitoring of compliance. There appeared to be little distinction between compliance with the NMW and the overall employment regulatory framework and governance of the NMW. This interpretation may or may not be a result of a general lack of detailed and accurate knowledge of the workings on the NMW policy, especially in the domestic work sector.

None of the domestic workers reported having been visited by a labour inspector from the DEL. Similarly, few farm workers recalled labour inspectors visiting their work places. Labour inspectors reported a lack of capacity to monitor compliance which is especially challenging in the domestic work sector due to barriers in gaining access to private residences; fear of reprisal by employers and the monitoring of compliance via the UIF data base, which is less likely to reach the most vulnerable workers. How to reach those who are most vulnerable and hard to reach remains a challenge. Issues and challenges in monitoring compliance in agriculture mentioned by key informants included capacity constraints; alleged bias by inspectors in monitoring compliance of large farming operations; a lack of focus on compliance of small farmers and especially those in remote areas; and the need to monitor employers who employ large numbers of foreign workers and seasonal workers. Key informants also questioned the authenticity of inspection reports where farm workers are not engaged in inspections.

With only 1 159 labour inspectors employed to monitor compliance, coupled with challenges in the retention of inspectors with specialist skills⁴ (see Department of Employment and Labour, 2020), it is unlikely that proactive, thorough and effective compliance monitoring will be achieved in the short-term unless capacity is substantially expanded and new monitoring strategies adopted. A key informant called for incentives to

4 http://www.labour.gov.za/DocumentCenter/Reports/Annual%20Reports/Annual%20Performance%20Plan/2019-2020/Annual%20Performance%20Plan_2019-2020.pdf



promote compliance of small farmers such as licenses for export or social subsidies to support them for absorbing the costs for housing, transport and similar related costs (Visser and Ferrer (2015). These will however require additional budgetary allocations which might be difficult in the current fiscal situation. There was also a call from some KIs for a broad based communication strategy using social media, WhatsApp messaging, community radio, and information and education campaigns at grassroots level. This could go some way in promoting greater awareness and receptivity of the public for the need to comply with the legislation and to advocate for better working conditions for workers who are left behind.

COVID-19 AND ITS IMPACT ON WAGES, EMPLOYMENT AND POVERTY

Finally, limited data could be collected on the impact of the Covid-19 pandemic and the lockdown on both sectors. Domestic workers, and presumably live-out workers seem to have been affected to a greater extent than those in agriculture. The evidence for domestic work was mixed with some workers being paid during the lockdown while others received no pay during this time. Since agriculture is an essential service, the impact seemed to be less severe than in domestic work but other challenges prevailed such as the impact of the lockdown on the operational aspects of the businesses. The NIDS-Cram Survey ⁵wave one found significant employment losses (18%). One in three people lost an income and food poverty doubled compared to 2018 due to the lockdown (Ranchod and Daniels, 2020; Jain, Budlender, Zizzamia, and Bassier, 2020; Wills, Patel and van Der Berg, 2020). These impacts were particularly severe for people who were already disadvantaged prior to the lockdown. Of significance to this study, are the negative impacts on low wage workers and especially manual workers and women workers who were most severely affected – two out of three people who lost their jobs were women (Casale and Posel, 2020). StatsSA's second quarter unemployment figures show job losses of 2.2 million people in the second quarter of 2020 with the greatest negative employment effects on domestic workers (StatsSA, 2020)⁶. The gravity of the situation was described as a humanitarian crisis with disastrous consequences for people's lives and livelihoods especially those who are most vulnerable. The researchers called for social policies that would avert the crisis, aid economic recovery, restore social stability and create a more inclusive society.

No data is available on the impact of the lockdown on the two sectors of interest to the study at the time of writing. The impact of the lockdown has been severe leading to significant contraction of the economy. Gross domestic product (GDP) fell by just over 16% between the first and second quarters of 2020, giving an annualised growth rate of -51%. This is above the annualised slowdown of 6.1% recorded in the first quarter of the 2009 global financial crisis. The lockdown follows prior contraction of GDP of 0,6% in the third quarter of 2019⁷. This will undoubtedly have a negative impact on achieving the goals of the NMW legislation and may reverse the gains that were made previously. The NIDS-CRAM Wave 2 suggests improvements in some indicators such as hunger, the country is a long way from where it was before March 27 when the lockdown was declared. The real impact is yet to be determined over longer time periods.

5 <https://cramsurvey.org/reports/>

6 <http://www.statssa.gov.za/?p=13652>

7 <http://www.statssa.gov.za/?p=13601>

7. CONCLUSION

It is too early to draw firm conclusions about the impact of the NMW policy in the initial stages of its implementation. Preliminary findings suggest first that in agriculture there have been steady improvements over time in wages with seven out of ten farm workers receiving the stipulated statutory minimum wage. Further, that the setting of substantive guidance on what the minimum wage is, is considered a positive step and that employers are using the NMW as a benchmark which has improved wages overall. Second, in domestic work, two thirds of workers reported receiving the minimum wage with average earnings of R3 199 per month in the four provinces with the lowest wages recorded in Limpopo. Wage increases seem to be normal annual increases and were not related to the introduction of the new NMW policy. Third, while employers and workers in agriculture had sound knowledge of the NMW system, this was not the case in the domestic work sector. There was however considerable confusion about whether non-wage benefits were included in the NMW or which benefits were included. Four, although a wide range of non-wage benefits were listed by employers in both sectors, there were important differences to note. In agriculture, employers seemed to make a trade-off between meeting the NMW on the one hand and reducing benefits on the other. In domestic work, UIF contributions are rare while the payment of December bonuses appeared to be the norm. A range of non-wage benefits were however paid but these were ad hoc and reflected the informal nature of the relationship between domestic work employers and employees. Five, having an employment contract was more prevalent among farm workers than domestic workers, with few having a contract. Six, the monitoring of compliance with the NMW remains a major challenge in view of the limited capacity of the inspectorate. Other challenges were related to access to private households and the need to obtain the views of employees when inspections are conducted particularly on farms. Seven, the structural changes occurring in the agriculture sector and employer responses to the NMW are important to consider in the monitoring of the NMW. Unintended consequences such as increased mechanisation and the use of seasonal and temporary workers to off-set wage increases including reduction in non-wage benefits and higher workloads to increase production were some of the issues raised. In domestic work the growth of digital recruitment and employment platforms is an important development but needs to be monitored for compliance with the NMW since these workers may be at a greater disadvantage when it comes to receipt of benefits.

Finally, the question of exclusion of agriculture and domestic work from the NMW is a source of pain for workers in these sectors who have been the most disadvantaged historically in the labour market. For them, there is the yearning to be recognised on par with other workers. From the perspective of employers, this seems to be a desirable goal too. Some employers in agriculture called for a longer time frame to reach this goal while the employers in domestic work were sympathetic to the NMW but raised concerns about affordability and attendant unintended consequences. Mediating these two positions will be especially difficult in the wider national economic and social context marked by deepening poverty and inequality arising from the Covid-19 pandemic which has had significant negative employment effects on the domestic work sector.

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ANNEXURE 1: KEY INFORMANTS

Key informants: Agriculture

Prof Johann Kirsten is the director of the Bureau for Economic Research at Stellenbosch University. Before taking up this position, he was professor in Agricultural Economics and head of the Department of Agricultural Economics, Extension and Rural Development at the University of Pretoria.

Wandile Sihlobo is the chief economist at the agriculture business chamber in Gauteng. In 2012 he studied and conducted a study at the Stellenbosch University and also studied at Fort Hare University. He has been involved in agricultural research since 2008 as a student. In 2016 he joined the chamber to lead the economics team. Outside of his job he is a commissioner at the international trade commission of South Africa. He is also an adviser to president Ramaphosa for the economics council as well as the land reform and agriculture as well as Stats SA.

AFRA representative Pietermaritzburg in KwaZulu-Natal have been one of the employees of AFRA since 1997 July. He started as a fieldworker and his role include informing farm workers about their rights and the new legislations in the agricultural sector.

Margareet Visser is a Professor in the School of Economics, University of Cape Town and holds a Ph.D. from Gothenburg University in Sweden. Martine is currently a Research Chair with the African Climate & Development Initiative (ACDI). She is also associated with various research units within the School of Economics, including the Environmental-Economics Policy Research Unit (EPRU), the Research Unit of Behavioral and Neuro-economics Research (RUBEN) and the South African Labour Development Research Unit (SALDRU).

Graham Armstrong is an Agricultural Association trustee at Mooi Mpofane in KwaZulu-Natal.

Key informants: Domestic Work

Amy Tekié is a co-founder of Izwi domestic workers alliance. Her background is in civil society issues. She is an employer of a domestic worker, and got involved in domestic workers rights about 2 or 3 years ago.

Maggie Mthombeni is a former domestic worker, she has worked as a domestic worker for more 15 years. She is a co-founder of Izwi domestic workers alliance and works as a case manager from October 2018.

Eunice Dladla is a union's assistant general secretary at SADSAWU.

Key informants: DEL inspectors

Mr Khambule is a provincial chief inspector who oversees and inspects the inspectorate in the entire province. The inspectors are located in 16 labour centres so he is responsible for the overall control and management of the inspectorate enforcement services in KwaZulu-Natal.

Mr Mthethwa who is part of the inspectorate is involved in the process of issuing confirmatory notices, sending matters to the statutory service for further enforcement, arbitration awards and finally taking matters to the labour court or the CCMA. They also appear at the CCMA to defend their reasons for issuing the notice that the employer is disputing.

Inspector interviewed in the Western Cape is a team leader who manages all labour relations inspectors. He monitors the compliance of the employers within the framework of their legislations, as well as monitor, advise and conduct proactive and reactive inspections.

ANNEXURE 2: RESEARCH INSTRUMENTS

AGRICULTURE: INTERVIEW GUIDE FOR EMPLOYERS

Once again, thank you for being here today. I'd like to begin the discussion now and will be turning the recorders on. Please feel free to ask questions at any time.

Introductory section

Thinking about your time as a farmer, what are the biggest changes you have seen in the agricultural sector?

1. Please think about your workers and their communities. Have you seen any changes in their lives over the same time period? What are some of their biggest challenges?

Prompts: discuss things like poverty, crime, alcoholism, worse or better educational outcomes...

2. At the start I handed out a sheet of paper. On this paper please write down, in descending order, what your three biggest challenges are as a businessperson in the agricultural sector. When you're done please hand the sheets to me.

Prompts: Don't go through each individually, just quickly browse through and see what comes up.

Expect things like competition (local, global), violence on farms, labour relations, government regulation, mechanisation, declining productivity, climate change; access to capital, skilled labour...

Wage-setting

Next I'd like to talk about wages.

3. How are wages set in your organisation? How do you decide how much your employees will be paid?
 - a. And is this the same for the lowest-paid workers?

Probe: Is the primary determination the law? Or do you have other considerations? Does pay vary by skill, level of education, experience? Is there hence opportunity for low-wage workers to progress? Or do you have a flat rate for certain types of work? Or a piece rate for production of items?

- b. Is this the same for seasonal workers?

4. What proportion of your workforce is composed of seasonal workers as compared to permanent workers? How long do they work each year? Note: clarify what seasonal work is/means from the perspective of employers of farm workers.
 - a. Do you hire the same seasonal workers or do they shift? Where do you find them?

5. How has the NMW influenced the wages you pay to seasonal workers, and/or your ability to hire them?

NMW: knowledge; wage adjustments; experience of compliance

6. Do you know what the NMW is?

Prompt: R18ph. Set to increase to the level of the full NMW in the next 2 years. Workers working less than 4h/w can't be paid for less than 4h.

7. Did you adjust the wages of the lowest-paid workers after the introduction of the NMW?
8. What was the reason for the wage adjustment or lack thereof? Did the NMW shift your thinking about farm worker's wages at all? How? (Prompt: fairness issues - do workers have higher expectations now?)
9. What happened to your overall wage structure? In other words, after increasing the wages of the lowest paid, did you also have to increase wages for higher-paid workers to maintain wage differences? Why or why not?
10. What about seasonal workers and their wages/wage structure?
11. Did you feel a need to reduce the wages of any workers?

Non-wage adjustment

12. Have you downsized employment or reduced hours of work this year? If so, why?
13. We know there are many factors that contribute to input costs. What are some of the major factors which determine the number of hours workers have to work? Probe: eg increasing import prices; falling demand for goods produced; bad weather; declining performance...Have you had to adjust the way your business operates in other ways due to the NMW?

Allow open answers and then address specific issues if necessary:

- a. Have you reduced the hours worked by any category of workers? Why?
- b. Have any workers come to work more hours? Why? [Note: overtime is any time over 45h/w or 9h/d, which should be paid at wage*1.5. Holidays: double pay (as per SD 13).
- c. Have you increased the prices you charge for your products?
- d. Substitution of low-wage labour for e.g. capital, more skilled workers, older workers, casual workers, undocumented immigrants?

Non-wage benefits

14. Next I'd like to discuss non-wage benefits. Has any of this changed this year since the NMW was introduced?

Allow open answers and address specific issues if necessary:

- a. Has your degree of time and investment in employee training changed?
- b. Have you found it necessary to change allowances or deductions for accommodation/transport/or other benefits like pensions and medical aids?

Note: deductions for housing and food are permissible but no more than 10% each. Other deductions only permitted for pensions, funeral policies, TU fees, financial institutions

15. Do you feel that you face increased competition from other businesses that do or don't pay the NMW? Do you feel that this is a widespread practice?

16. Finally, has your overall business strategy changed in response to NMW?

Prompts: quality improvements; more intensive marketing/selling; improved productivity; reorganizing production; HR practices (e.g. changing from flat to progressive pay structures), moving into new markets...

17. If you have increased the wages for your lowest-paid employees, what are some of the impacts of this that you see with your workers?

Prompts: Are they more motivated or happier? Has workplace conflict reduced or been intensified (intensification e.g. in the case of more militant collective bargaining)? Can you see evidence of your workers being more able to meet their and their families' needs? Do you foresee greater spending on your products from your low-wage employees and similar workers who experience a permanent wage rise?

Experiences of compliance and legislation

18. Do you know where and how to access information about your obligations and rights as an employer? What has the experience of accessing that info been like?

19. Do you know about the exemption process? Do you know how to apply for an exemption? Have you applied for an exemption and what was that process like?

Probe for the administrative/bureaucratic details (were staff helpful, was the process easy to get through and understand, hassle-free etc.)

20. If you have applied for an exemption, what was the outcome of that process?

Probe: was the exemption application accepted? Is it still being processed and do you have any idea about when you can expect a decision?

21. Have you or anyone you know ever been visited by an inspector from the DEL? If so what was that like?

Probe: was the visit announced or unannounced? What was the interaction with the inspector like?

22. Do you know what the procedure entails when the CCMA handles complaints received from employees?

Probe: If so have you been served with a compliance order and do you intend to challenge it? Have you appealed a compliance order? Was this this year or before this year?

Conclusion

23. All things considered, what are your views of the NMW policy as a whole?

I don't have any more questions – we have come to the end of the discussion. Is there anything else you would like to add about the national minimum wage and your work?

I know this has been a long and sometimes difficult discussion, and we thank you for your patience and for sharing so much with us. It is going to be very helpful for our research. We will make sure that the government listens to your views and experiences.

THANK YOU!

INTERVIEW GUIDE WITH FARM OWNERS/EMPLOYERS OF FARM WORKERS (ADAPTED FOR SELF-COMPLETION)

Once again, thank you for agreeing to participate in this study. Please answer honestly and in as much detail as possible.

Introductory section

1. Thinking about your time as a farmer, what are the biggest changes you have seen in the agricultural sector?
2. Please think about your workers and their communities. Have you seen any changes in their lives over the same time period? What are some of their biggest challenges?
3. What are your three biggest challenges as a businessperson in the agricultural sector.

Wage-setting

Next I'd like to talk about wages.

4. How do you decide how much your employees will be paid? What factors do you take into consideration?
For full-time/permanent workers?
For the lowest paid workers?
For seasonal workers?
5. What is your definition of a "seasonal worker?"
6. What proportion of your workforce is composed of seasonal workers as compared to permanent workers?
How long do they work each year?
7. How has the National Minimum Wage influenced the wages you pay to seasonal workers, and/or your ability to hire them? Explain.

NMW: knowledge; wage adjustments; experience of compliance

8. Do you know what the NMW is?
9. Did you adjust the wages of the lowest-paid workers after the introduction of the NMW on 1 January 2019?
10. What was the reason for the wage adjustment or lack thereof? Did the NMW shift your thinking about farm worker's wages at all? How?
11. What happened to your overall wage structure? In other words, after increasing the wages of the lowest paid, did you also have to increase wages for higher-paid workers to maintain wage differences?
Why or why not?
12. What about seasonal workers and their wages/wage structure?
13. Did you feel a need to adjust (either by reducing or increasing) the wages of any workers?

Non-wage adjustment

14. Have you downsized employment or reduced hours of work this year? If so, why?
15. We know there are many factors that contribute to input costs. What are some of the major factors which determine the number of hours workers have to work? Probe: e.g. increasing import prices; falling demand for goods produced; bad weather; declining performance...
16. Have you had to adjust the way your business operates in other ways due to the NMW?
Probe: Think of changes in hours worked, productivity, prices of goods, changes in the makeup of your workforce, e.g. more skilled labour, casual workers or immigrants?

Non-wage benefits

17. Next I'd like to discuss non-wage benefits. Has any of this changed since the NMW was introduced in 2019? Probe: Think of the degree of time and investment in employee training, allowances and deductions for accommodation/transport/or other benefits like pensions and medical aids, etc.?
18. Finally, has your overall business strategy changed in response to NMW?
Prompts: quality improvements; more intensive marketing/selling; improved productivity; reorganizing production; HR practices (e.g. changing from flat to progressive pay structures), moving into new markets...



Experiences of compliance and legislation

19. Do you know where and how to access information about your obligations and rights as an employer? What has the experience of accessing that info been like?

20. Do you know about the exemption process? Do you know how to apply for an exemption? Have you applied for an exemption and what was that process like?

Probe for the administrative/bureaucratic details (were staff helpful, was the process easy to get through and understand, hassle-free etc.)

21. Have you or anyone you know ever been visited by an inspector from the Department of Employment and Labour? If so what was that like?

Probe: was the visit announced or unannounced? What was the interaction with the inspector like? What were they checking?

22. Do you know what the procedure entails when the CCMA handles complaints received from employees? Please detail your experience with these procedures?

Conclusion

All things considered, what are your views of the NMW policy as a whole?

I don't have any more questions – we have come to the end of the discussion. If there anything else you would like to add about the national minimum wage and your work please add it here?

I know this has been a long and sometimes difficult discussion, and we thank you for your patience and for sharing so much with us. It is going to be very helpful for our research. We will make sure that the government listens to your views and experiences.

THANK YOU!

AGRICULTURE: INTERVIEW GUIDE FOR EMPLOYEES

Once again, thank you for being here today. I'd like to begin the discussion now and I will be turning the recorders on. Please feel free to ask questions at any time.

Introduction

1. How long have you worked on a farm?
Probe for detail. Is it all of their working lives? If not what did they do before?
2. Thinking about this time, what has changed for you and your community? What hasn't?
3. How far is the farm from where you live? Or do you live on the farm?
4. Do other people in your family also work with you on the farm? How many?

Wages

5. How are your wages determined?
Prompt: do you have any influence, or is this just your employer's decision? Does your employer tell you how he or she decides how much to pay you?
6. Are wages set based on the number of hours you work? Or is it a piece rate?
Prompt: a piece rate means you are paid for every item that you make or for every action that you complete. For example, some workers are paid a set amount for every ripe fruit that they pick.
7. Are you a seasonal or permanent worker? Find out more about their work situation (how many times in the year they work) and the details thereof.
Prompt: a seasonal worker is someone who only works at specific times of the year. For example, wine grapes are often harvested at the beginning of the year, and some workers will only be hired for that task at that time.
8. If you are a seasonal worker, what do you do to support yourself and your family when you're not working on the farm?
Probe: Do you have savings that you can rely on for the periods you're out of work? Do you engage in any production, like growing your own vegetables or raising livestock? If so is this for subsistence or do you sell anything? Where are your nearest other employment opportunities, that is away from the farm you generally work at?
9. Do you know what the National Minimum Wage is?
Prompt: The National Minimum Wage (NMW) is R18 per hour, introduced by the law on 1 January 2019. It will increase within 2 years so that it is at the same level as the full NMW of R20 per hour that workers in other sectors of the economy get.
10. Do you earn the National Minimum Wage or more?
11. Did you have your wages increased after the introduction of the NMW in January 2019?
12. Was this because your wages were below the new NMW or for some other reason?
13. Has anyone experienced a reduction in wages since the beginning of last year? If so, do you know why this happened?

Other working conditions

14. Have there been any changes to your working hours since the introduction of the NMW at the beginning of last year?
 15. If you're a seasonal worker, have you noticed any changes in employment opportunities since last year? What do you think has contributed to those changes?
 16. Where you work is it normal for workers to have written contracts of employment?
 - a. If so, what kind of information is in these contracts?
Prompt: if there is confusion, say you are thinking about things like wages, paid leave, overtime, hours worked, housing, deductions and benefits.
 17. On the survey you answered at the beginning, we asked some questions about benefits that are separate from your wages. I'd like to discuss this a bit. What are some of the benefits you receive?
Prompts: training, pension, housing, free grazing, food, access to a clinic on the farm, day-care...
- *If not covered, make sure food and housing are addressed explicitly.

- 
18. If you're a seasonal worker, are you able to live in the housing on the farm during times when you are not needed as a worker on the farm?
 19. Did any of the benefits you were receiving change, i.e. more benefits or benefits that you stopped receiving?

Unfair labour practices

20. Do you know what an unfair labour practice is?
Prompt: an unfair labour practice is when an employer decides, without consulting you, to reduce your working hours or change other conditions of employment, like reducing overtime pay, including allowances (such as for petrol, transport, or accommodation) in the wage rate, removing or reducing your benefits or making you pay for tools you use to work with.
21. Do you currently experience an unfair labour practice? And if so, are any of these practices new, that is, they started happening this year?
22. Do you know where to go to report an employer if they treat you unfairly?
Prompt: you need to go to the CCMA and make a report. The CCMA will then issue a complaint to the employer, who has a set time to rectify any unfair practices.
23. Have you reported your employer since the beginning of last year? If so, what was the experience like?
Prompt: If not covered, ask for administrative and procedural detail. Were the staff helpful? Did they file a report? Could you understand everything they told you to do?
24. And what happened after you made the complaint? Did your working conditions change?
25. Is there anyone here who would not want to report an employer? Why?
26. *If you needed help or advice before talking to an employer, who would you ask?

Conclusion

27. Do you feel that you are in a stronger position at work now that the NMW is in place?
Prompt: does it make you feel more secure in your job? Does it provide a foundation that you and other workers can organise around?
28. Do you belong to a union or any other group of organised farm workers? Why or why not?
29. How do you feel about your position as a worker since the introduction of the NMW? Do you think it is a good policy?
30. Since the beginning of last year, have any of your co-workers, or family and friends who also work on a farm, lost their jobs? If so, do you think this was because of the NMW? Why?

I don't have any more questions – we have come to the end of the discussion. Is there anything else you would like to add about the national minimum wage and your work?

I know this has been a long and sometimes difficult discussion, and we thank you for your patience and for sharing so much with us. It is going to be very helpful for our research. We will make sure that the government listens to your views and experiences.

THANK YOU!

DOMESTIC WORK: INTERVIEW GUIDE WITH EMPLOYERS

Once again, thank you for being here today. I'd like to begin the discussion now and will be turning the recorders on. Please feel free to ask questions at any time.

Introductory section

1. To begin, I'd like to know how long you've employed a domestic worker for. How did you find your current domestic worker? How many domestic workers do you employ (they may have had to retrench someone)?
Probe for detail. In addition to a female worker who does housework, some may also have gardeners or drivers.
2. Thinking about this time, are there any changes you have seen in your personal circumstances that have impacted on your working relationship with your domestic worker?
3. Have you seen any changes in your domestic worker's life over the same time period? What are some of their biggest challenges?
Prompts: discuss things like poverty, crime, worse or better educational outcomes...

Wage-setting

Next I'd like to talk about wages.

4. How do you decide what wages to pay your domestic worker? What sorts of things do you consider?
Probe: Is the primary determination the law? Or do you have other considerations, like the domestic worker's skills, experience, trustworthiness, the cost of living...
For the remainder of the discussion I'd like to focus on your primary domestic worker: this is usually the female worker who does household work for you.
5. Do you pay by the hour, day, week or month?
6. Do you foresee opportunities for your domestic worker to progressively earn higher wages?
7. Is any portion of the total remuneration made in kind? Or are payments in kind made in addition to their wages?
Prompt: is accommodation, food, clothing, housing, or anything else that is not money included as remuneration?

NMW: knowledge; wage adjustments; experience of compliance

8. Do you know what the NMW is?
Prompt: R15ph. Set to increase to the level of the full NMW in the next 2 years.
Did you adjust the wages of your domestic worker after the introduction of the NMW on 1st January 2019?
What was the reason for the wage adjustment? Did the NMW shift your thinking about your domestic worker's wages at all? How? (Prompt: fairness issues - do workers have higher expectations now?)
Did you make any other adjustments to accommodate the NMW e.g. reducing or limiting other benefits?

Non-wage adjustment

In this section we will be discussing how you have adjusted in other ways to the introduction of the NMW.

9. Would you say that the NMW has made it more difficult for you to keep employing a domestic worker in the longer term?
10. Have you felt the need to change the hours worked by your domestic worker?
[Note: overtime is any time over 45h/w or 9h/d, which should be paid at wage*1.5. Holidays: double pay (as per SD 13).
11. Next I'd like to discuss non-wage benefits. Has any of this changed this year since the NMW was introduced?
Allow open answers and address specific issues if necessary: Have you found it necessary to change allowances or deductions for accommodation/transport/or other benefits like pensions and medical aids? E.g., remove or reduce benefits now that you're paying a higher wage?
Note: deductions for housing and food are permissible but no more than 10% each. Other deductions only permitted for pensions, funeral policies, TU fees, financial institutions
Compliance and legislative issues

- 
12. Do you know where and how to access information about your obligations and rights as an employer?
 - a. What has the experience of accessing that information been like?
 13. Do you know about the exemption process?
 - a. Do you know how to apply for an exemption?
 - b. Have you applied for an exemption and what was that process like? Probe for the administrative/bureaucratic details (were staff helpful, was the process easy to get through and understand, hassle-free etc.)
 14. What was the outcome of that process?
Probe: was the exemption application accepted? Is it still being processed and do you have any idea about when you can expect a decision?
 15. Have you or anyone you know ever been visited by an inspector from the DEL? If so what was that like?
Probe: was the visit announced or unannounced? What was the interaction with the inspector like?
 16. Do you know what the procedure entails when the CCMA handles complaints received from employees?
Have you ever been part of this process?
Probe: If so have you been served with a compliance order and do you intend to challenge it? Have you appealed a compliance order? Was this this year or before this year?
 17. Do you feel that non-compliance with domestic worker-related legislation by other households is a widespread practice? In what way?
 18. If you have increased the wages for your domestic worker, what are some of the impacts of this that you see?
Prompts: Are they more motivated or happier? Is interaction with you better? Can you see evidence of your workers being more able to meet their and their families' needs?

Conclusion

19. All things considered, do you think the NMW is a good policy?
20. As employers of domestic workers, what would you say your biggest challenge is, if we haven't covered this already?

I don't have any more questions – we have come to the end of the discussion. Is there anything else you would like to add about the national minimum wage and your work?

I know this has been a long and sometimes difficult discussion, and we thank you for your patience and for sharing so much with us. It is going to be very helpful for our research. We will make sure that the government listens to your views and experiences.

THANK YOU!

DOMESTIC WORK: INTERVIEW GUIDE WITH EMPLOYEES

Once again, thank you for being here today. I'd like to begin the discussion now and I will be turning the recorders on. Please feel free to ask questions at any time –to me or to each other.

Introduction

1. When we invited you here today, we believed that all of you are working as domestic workers. Is this correct?
Prompt: if anyone is unemployed, ask for details. Did they recently lose their job?
2. How long have you worked as a domestic worker?
Probe for detail. Is it all of their working lives? If not what did they do before? How did they find employment – through social networks, an agent, etc.?
3. Thinking about this time, what has changed for you in your life, for your family and your community? What hasn't?
4. How far is the household you work in from the household you live in? Or do you live on the same premises as your employer? Probe for detail. If they live with the employer, get detail of the quality and condition of the accommodation. Find out where they live in relation to where they work.

Wages

5. How did your employer decide on your wages/earnings?
Prompt: do you have any influence, or is this just your employer's decision? Does your employer tell you how he or she decides how much to pay you?
6. Are wages set based on the number of hours you work? Or is it some other system?
7. Does everyone know what the National Minimum Wage is? Please raise your hands if you do. Note: record the total number who do know and those who do not or are unsure.
Prompt: The National Minimum Wage (NMW) is R15 per hour, introduced by the law on 1 January 2019. It will increase within 2 years so that it is at the same level as the full NMW of R20 per hour that workers in other sectors of the economy get.
8. Does anyone here earn the National Minimum Wage?
9. Who here had their wages increased after the introduction of the NMW? That is since the beginning of 2019?
10. What was the reason for the increase in your wages?
11. Has anyone experienced a reduction in wages since the beginning of this year? If so, do you know why this happened?
12. Do any of you receive payments in kind? This just means payment that is not in the form of wages – it could be food, clothes or accommodation. Probe for detail.

Other working conditions

13. Have your working hours been reduced or increased since the introduction of the NMW?
14. Do you have a written contract of employment?
 - a. If so, what information is in this contract?
Prompt: if not there is confusion, say you are thinking about things like wages, leave, over time, hours worked, housing, deductions and benefits.
15. On the survey you answered at the beginning, we asked some questions about benefits that are separate from your wages. I'd like to discuss this a bit. What are some of the benefits you receive?
Prompts: pension, housing, food, healthcare, holiday bonus, transport money, access to free Wi-Fi, the use of phones or other support?
16. Is any of this new? That is, did you start receiving these benefits this year?

Unfair labour practices

17. Do you know what an unfair labour practice is?
Prompt: an unfair labour practice is when an employer decides, without consulting you, to reduce your working hours or change other conditions of employment, like reducing overtime pay, making large deductions from your wage, or deductions for damages, meals or clothing, removing or reducing your benefits or making you pay for tools or products you use to work with.
18. Do any of you currently experience an unfair labour practice? And if so, are any of these practices new, that is, they started happening this year?
19. Do you know where to go to report an employer if they treat you unfairly?
Prompt: you need to go to the CCMA and make a report. The CCMA will then issue a complaint to the employer, who has a set time to rectify any unfair practices.
20. Has anyone here reported their employer recently? If so, what was the experience like?
Prompt: If not covered, ask for administrative and procedural detail. Were the staff helpful? Did they file a report? Could you understand everything they told you to do?
21. And what happened after you made the complaint? Did your working conditions change?
22. Is there anyone here who would not want to report an employer? Why?

Conclusion

23. Do you feel that you are in a stronger position at work now that the NMW is in place?
Prompt: does it make you feel more secure in your job? Does it provide a foundation that you and other domestic workers you know can organise around?
 24. Do you belong to a union? Why or why not? Probe: ask if anyone they know is part of a union or is a member of an organised domestic worker group; do they think this kind of group would benefit them?
 25. Do you feel happier or more motivated since the introduction of the NMW? Do you think it is a good policy?
 26. Since the beginning of 2019 have any of your co-workers, or family and friends who also work as domestic workers, lost their jobs? If so, why did they lose their job? Do they know for sure that this was the reason or is it something they suspect??
 27. What are the biggest challenges you face as domestic workers if we haven't discussed this already?
- I don't have any more questions – we have come to the end of the discussion. Is there anything else you would like to add about the national minimum wage and your work?
- I know this has been a long and sometimes difficult discussion, and we thank you for your patience and for sharing so much with us. It is going to be very helpful for our research. We will make sure that the government listens to your views and experiences.

THANK YOU!



INTERVIEW GUIDES FOR KEY INFORMANTS

Try and keep this as open as possible. The point of these interviews is to get informant views on whatever they think are the positives and negatives around the NMW policy and its implementation. So try not to pre-empt them and direct the discussion based on what they say. The questions below should be used as a loose guide only.

1. To start with, please could you tell me a little about your background, and for how long you've been engaged in work in the sector?
2. What are some of the biggest changes you've seen over this period for workers and for their employers?
3. What are the biggest challenges now?
4. What is your view of the NMW policy?
 - a. Do you think it is an adequate response to the challenges in the sector?
 - b. Do you think the minimum wage amounts are set at the right level?
 - c. What is your view on domestic work and agriculture being temporarily exempt from the full NMW?
 - d. Do you think the approach to compliance and enforcement is correct?
Probe: ask for thoughts on the expanded mandate of the CCMA and the system of compliance orders and fines
 - e. What is your view of the inspection process that is carried out by the Department of Labour?
Probe: Do you think adequate numbers of inspections are carried out? Are there enough inspectors? Is the approach sufficiently proactive?
5. Do you believe that the NMW is having an effect in the sector? If so, in what ways? And if not, why not?
Prompt: if not addressed, ensure the following are covered: (1) employment numbers; (2) hours worked per employee; (3) effects on wages; and (4) effects on non-wage benefits.
6. Do you think the NMW policy and supporting legislation (like the BCEA and sectoral determinations) need to be scrapped, amended or left as they are? Please explain your answer.
7. Are there any issues around implementation that you think need to be addressed?
8. Do you have any other comments that you think are relevant?
9. Do you have any questions for me?

THANK YOU FOR YOUR TIME



INTERVIEW GUIDES FOR DEL INSPECTORS

1. Can you please tell me what your job entails? What are your responsibilities as an inspector?
2. Have there been any changes to your role and responsibilities since the introduction of the NMW? If so, can you describe these changes?
3. What is your understanding of the NMW policy?
 - a. What are the obligations of employers?
 - b. What is the minimum wage for the domestic and agricultural sectors?
 - c. Are there any exceptions?
 - d. What are the provisions for ensuring that there is compliance?
4. You obviously cannot inspect all employers. How do you prioritise your duties? (Ask generally and then specifically in the agriculture/domestic sector). Are there targets that have to be met?
5. Please walk me through how the inspection process works.
Probe: Here we want detail about what happens after the choice of businesses / households to inspect has been made.
6. Have you had to change how you prioritise your duties since the introduction of the NMW?
7. What is your view on how the inspectorate system is working since the introduction of the NMW?
 - a. What are the challenges?
 - b. And in what ways is the system working well?
8. Have you had any training or capacity building about the NMW and your role as an inspector? If so, can you comment on how you found that training? If not, do you think training would be useful, and what would need to be covered in that training?
9. Generally speaking how easy or difficult is it to get information from employers?
10. During the inspection process, do employers and employees bring in outside support? If so whom? Probe: this could be colleagues, unions, NGOs, employer associations (like Kwanalu, Agri SA etc.), lawyers, labour experts...
11. Do you see the results of your work? By this I mean, if you conduct an inspection and find non-compliance, do you often see that the employer becomes compliant later on as a result of your inspection?
12. On a scale of one to ten, how difficult do you find your job? Please explain your answer.
13. Do you have any other comments that you think are relevant?
14. Do you have any questions for me?

THANK YOU FOR YOUR TIME

