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**REPUBLIC OF NAMIBIA**

**MINISTRY OF LABOUR, INDUSTRIAL RELATIONS AND EMPLOYMENT CREATION**

**STATEMENT BY DR MARIUS KUDUMO: CHAIPERSON OF THE WAGES COMMISSION**

**Media briefing**

**Thursday, 18 March 2020**

**Office of the Labour Commissioner, 4th Floor Boardroom**

Members of the Media,

Ladies and Gentlemen

Good morning!

**1. Introduction**

It is my distinct honour and privilege, on behalf of my fellow Commissioners, to address the Namibian public through you, Colleagues from the media.

As you are aware, the Minister of Labour, Industrial Relations and Employment Creation, Honourable Utoni Nujoma, in the Government Gazette No.7461, has given notice convening the Wages Commission. The Notice and appointment of the Commission are in terms of Section 111(3) of the Labour Act, 2007 (Act No. 11 of 2007).

The Commission was inaugurated on the 18th of February 2021. Its broad Term of Reference, is to investigate all relevant industries, report, and make recommendations to the Minister on a proposed national minimum wage for Namibia, which will apply to all employees, except to related categories of employees specifically exempted by the Minister in a Wage Order, and on related supplementary minimum conditions of employment.

The convening of the Wages Commission comes at a time when the Country is faced with multitudes of challenges in labour and employment across all sectors of the economy and socially, including the impact of COVID-19 on livelihoods.

Against this background, the convening of a Wages Commission should be understood within the broader State goals and objectives of contributing to poverty alleviation, reducing income inequality, and improving individual and household incomes, and contributing to a decent standard of living for all, as foreseen in Article 95(i) of the Constitution of the Republic of Namibia.

The Commissioners appointed to carry out this national responsibility are:

1. Mr Gideon Thomas, representing the interest of the trade unions;
2. Ms. Edwina T. Hashikutuva, representing the interests of registered employers’ organisations;
3. Dr Fritz S. Nghiishililwa;
4. Ms Nokokure Kariko; and myself
5. Marius Kudumo, Chairperson

**2. Terms of Reference for the Commission:**

 Copies of the Terms of Reference of the Commission has been provided to you and is also available on the Official website of the Ministry of Labour, Industrial Relations and Employment Creation. For this media briefing, allow me to give a summary of the key terms of reference.

**2.1 Definitions**

For the purposes of the investigation:

 “employee” means any person engaged in an employment relationship who is entitled to receive wages for work performed; and

“wage” means the amount of money payable to an employee on an hourly, daily, weekly, bi-weekly, or monthly basis in respect of ordinary hours of work, and excludes premium payments for overtime, work on Sundays and public holidays, tips, bonuses, gratuities, housing, transport or other allowances, and in-kind payments.

**2.2 Broad goals**

A national minimum wage for all employees is aimed at contributing to the following goals:

1. Improving the wages of the lowest-paid workers;
2. Reducing income inequality;
3. Alleviating poverty and improving individual and household income; and
4. Achieving a decent standard of living for all.
	1. **Key matters to be investigated by the Commission**
* Should employers be required to provide a written contract of employment to every employee?
* Are there other minimum conditions related to the minimum wage that the Minister should consider?
* What should be the period(s) of working time on which the minimum wage should be calculated? For example, hourly, daily, weekly, bi-weekly and/or annually, and how will ordinary hours of work be calculated?
* Should there be a premium minimum rate (for example, a higher hourly minimum wage for part-time employees?
* Should employees be guaranteed a minimum number of hours of pay per day?
* Should there be a threshold number of hours or days above which an employee shall be entitled to a full-time daily, weekly, or monthly wage?
* How much advance notice should be given of the date of implementation of the national minimum wage?
* Are there any categories of employers or employees where the implementation should be phased in?
* Are there any categories of employees that should be exempted from the right to the national minimum wage or should be entitled to less than 100% of the national minimum wage?
* Should there be a minimum wage or stipend for persons in apprenticeships or learnerships?
* Should the minimum wage apply to public works programmes?
* At what interval should a periodic review of the national minimum wage and conditions be conducted and adjustments to the minimum wage be made, to prevent the erosion of the minimum wage or to increase it?
* Should provision be made for automatic annual cost of living increases or other automatic adjustments of minimum wages and conditions?
* What would be the most effective measures to enforce the national minimum wage?

**3**. **Other Recommendations**

The Commission may also make any other recommendation in respect of the National Minimum Wage that it considers to be appropriate. In conducting its investigation, the Commission must consider:

1. the aims of Article 95 of the Namibian Constitution, Promotion of the Welfare of the People, as it pertains to labour matters, including Sub-Article (i) “insurance that workers are paid a living wage adequate for the maintenance of a decent standard of living and the enjoyment of social and cultural opportunities.”;
2. the following International Labour Organisation Conventions: the Minimum Wage-Fixing Machinery Convention No. 26 of 1928 and Minimum Wage Fixing Convention No. 131 of 1970 and Minimum Wage-Fixing Machinery Recommendation No. 30 of 1928 and Minimum Wage Fixing Recommendation No. 135 of 1970 respectively;
3. the needs of workers and their families;
4. the cost of living in Namibia or in any part of it;
5. the minimum subsistence level in any area;
6. the value of board, lodging to other benefit provided by any employers or categories;
7. the potential impacts of the national minimum wage on the individual income of women and men and on household income; and
8. the ability of employers to carry on their businesses if they are required to pay the recommended national minimum wage.

**4. Methods of work and procedures**

Allow me, at this juncture, members of the media, to focus on the methods of work and procedures that the Commission will utilise in conducting the investigation.

The Commission has developed a Work Plan indicating all key activities, timeframes, and deliverables. The methods of information collection will consist of written representations, oral presentations at public hearings, expert inputs, and literature review.

Against this background, the Commission will commence with public hearings on **Tuesday,** the **23rd  of March 2021 in Windhoek, Khomas Region**. The public hearing will be held at Ministry of Labour, Industrial Relations and Employment Creations Conference Hall at **starting at 08:00 for 09h00.**

The Commission will also visit the following towns: Gobabis, Keetmashoop, Aussenkher, Otjiwarongo, Opuwo, Oshakati, Eenhana, Rundu, Katima Mulilo, and Swakopmund.

The dates of the visits to these towns will be communicated at a later stage, but in advance before the hearings. The purpose or the public hearings is to afford everyone the opportunity to appear before the Commission and make their presentations, especially those who are not in positions to make written submissions.

The second method is through written representations. The Commission is calling on interested persons to make written representations concerning a proposed national minimum wage and related supplementary terms and conditions of employment, including the matters set forth in the Terms of Reference. **The Written Representations are to be submitted not later than 30 June 2021.**

The other methods are expert presentations and literature review, including on international lessons and experiences.

The Commission is expected to complete the inquiry by 30 August 2021, and to submit a report with recommendations to the Honourable Minister, including a proposed minimum wage for Namibia, not later than 30 September 2021.

**All written representations should be delivered, addressed, or emailed to the Wages Commission Secretariat at the Ministry of Labour, Industrial Relations and Employment Creation, 32 Mercedes Street, Private Bag 19005, Khomasdal. Attention: Ms. Wilhelmine Shigwedha at +264 61 2066293 / Ms. Fransina Nghitukwa at +264 61 2066404 / Ms. Bella Situde at +264 61 2066326 or via Email: Wilhelmine.Shigwedha@mol.gov.na / Fransina.Nghitukwa@mol.gov.na / Bernathe.Situde@mol.gov.na**

1. **Conclusion**

As I conclude, I would like to call upon individuals, trade unions, and employers’ organisations to make written and oral representations to the Commission, as their representations would enhance the quality of the Report of the Commission, and recommendations to the Minister.

Thank you for your attention.