

REPUBLIC OF ZAMBIA



MINISTRY OF LABOUR AND SOCIAL SECURITY

**PRESS BRIEFING BY THE MINISTER OF LABOUR AND SOCIAL
SECURITY,
HONOURABLE AUSTIN C. LIATO, MP**

**ON THE ISSUANCE OF STATUTORY INSTRUMENTS ON
MINIMUM WAGES AND CONDITIONS OF EMPLOYMENT FOR
PROTECTED EMPLOYEES.**

JANUARY 2011

COUNTRY MEN AND WOMEN

I have called this Press Briefing to announce the new Statutory Instruments on Minimum Wages and Conditions of Employment for protected employees that are engaged in Shops, General establishments and Domestic service. These are categories of employees that are not unionized and include those in management. Under the provisions of Section 3 of the Minimum Wages and Conditions of Employment Act, Cap 276 of the Laws of Zambia, I am empowered by this Enabling Act to determine terms and conditions of Employment for this class of employees.

Before I do that, I wish to state that this is one of the measures that MMD Government through the Ministry of Labour and Social Security, has taken to promote the creation of jobs on the labour market and ensure that the livelihoods of people are improved. Let me take this opportunity to dispel arguments advanced by some misguided players on the labour market who think that the new Minimum Wages have been issued this year due to the fact that this is an election year. This is not true at all. To the contrary, the delay in publishing the statutory instruments earlier is attributed to the fact that Government had to make a lot of consultations with all key stakeholders to ensure that an amicable agreement with employers and employees was reached before releasing the information to the general public.

The Ministry is committed to ensuring proper management of the Employment and Labour sector in the country in order to effectively reduce poverty among our people. This is important because what happens in this sector impacts on the household, thereby affecting the attainment of basic necessities of life which cannot be accessed if parents or guardians are not in employment that enables them to earn a decent wage.

The Ministry is also aware that these decent wages provided in the instruments ought should not to be so high that they stifle the existing business ventures or scare away new investments that the country needs so much for continued job creation.

COUNTRY MEN AND WOMEN

The new Minimum Wages and Conditions of Employment for the protected employees that are contained in Statutory Instruments numbers 1 and 2 of 2011 replace those in Statutory Instruments numbers 56 and 57 of 2006 for Shop workers and General application, respectively.

Some of the significant features in the new instruments include the following:

- The Minimum Wage has increased from K268, 800 to K419, 000 per month,

- Retention of the housing allowance rate at 30% of the basic pay; across the board;
- Other allowances such as transport, lunch and subsistence have also been upwardly adjusted from the previous rates of K80,000-00; K70,000-00 and K100,000-00 to K102,400-00; K120,000-00; and K195,000-00, respectively.

COUNTRY MEN AND WOMEN

I am also profoundly delighted to announce to the nation that for the first time ever, the Ministry has developed Regulations to administer the determination of wages to cover the Domestic service sector. Despite their importance, domestic workers are among the most exploited and abused workers in the country. Needless to say, they are often over worked and underpaid and because of the private nature of the workplaces that they operate from, they usually suffer various forms of injustice that include physical, psychological and sexual abuse.

Government is grossly saddened by this state of affairs and will therefore ensure that domestic worker's welfare is jealously safeguarded through the issuance of a Statutory Instrument to guarantee protection of their rights.

Some of the provisions in the Statutory Instrument include the following:

- The minimum wage

- Hours of work
- Annual leave
- Separation package; and
- Transport allowance.

In conclusion, I wish to state that Government through my Ministry will continue to ensure that the tenets of the Decent Work Programme that Zambia lunched in 2007 receives maximum attention. In addition to the Statutory Instruments that I have announced today, I wish to inform the nation that the amendments to the Employment Act, Cap 268 of the Laws of Zambia are also expected to be passed during the next sitting of Parliament. The issues addressed in the amendment bill include casualisation of labour, labour brokering, enhancement of working conditions in general and stiffening of penalties for people who are non compliant with labour laws.

It is regrettable that there has been a considerable delay in moving the process forward, with the result that it has been difficult to arrest the perceived exploitation of the workers through denial of their rights and this has posed a great challenge to Government.

Lastly, let me assure you that my Ministry will continue to raise awareness of the labour market parties with regard to the labour laws in view of the increase in foreign investment in the economy that has given rise to the creation of more jobs for our people.

I am positive that through effective awareness and enforcement of labour laws, we will be able to overcome these challenges.

I THANK YOU AND GOD BLESS YOU.