**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 403**

**INTERNAL QUESTION PAPER [No 2-2021 SIXTH PARLIAMENT]
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**403. Ms T Breedt (FF Plus) to ask the Minister of Agriculture, Land Reform and Rural Development:**

1. Whether, with reference to the minimum wage increase for farm workers as recommended by the National Minimum Wage Commission and announced by the Minister of Labour, she and/or her department considered that the 16,1% wage increase may amount to major job losses and retrenchments in the agricultural sector due to unaffordable wages in the midst of dire economic circumstances; if not, why not, if so, what is her department’s plan to assist employers in the agricultural sector to mitigate job losses;
2. did she and/or her department (a) consult with all relevant stakeholders, (b) participate in the process of determining the 16,1% increase, (c) make formal recommendations and/or (d) object to the relevant increases; if not, in each case, why not; if so, what are the relevant details in each case;

(3) whether she will make a statement on the matter? **NW409E**

**THE MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT:**

1. The Department of Agriculture, Land Reform and Rural Development (DALRRD) is aware of the possible inadvertent impact that the 16,1% wage increase will have on the agricultural sector given the dire economic predicament the country is experiencing. Correspondingly, the Department is also mindful of the escalating living expenses which is the major driver necessitating annual adjustments in the minimum wage, considering low wage levels of ordinary South African workers, including farmworkers. However, Government cannot turn a blind eye to the dire effect the current economic situation has had on businesses. To this effect, Chapter four of the National Minimum Wage Act has made provision for a state where an employer or an employers’ organisation registered in terms of section 96 of the Labour Relations Act, or any other law, acting on behalf of a member, may, in the prescribed form and manner, apply for an exemption from paying the national minimum wage.
2. (a) No - The process of consultations was made by the Department of Labour and Employment.
3. No.
4. No.
5. No.

(3) No. However, the Minister will be consulting the relevant and affected structures in the endeavour to devise on intervention(s) to mitigate job losses within the agricultural sector.