

**Ministry**

**Employment & Labour**

**Republic of South Africa**

Private Bag X499, PRETORIA, 0001. Laboria House 215 Schoeman Street, PRETORA Tel: (012) 392 9620 Fax: 012 320 1942

Private Bag X9090, CAPE TOWN, 8000. 120 Plein Street, 12th Floor, CAPE TOWN Tel: (021) 466 7160 Fax 021 432 2830

[www.labour.gov.za](http://www.labour.gov.za)

**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 705 [NW782E]**

**705. Mrs H Denner (FF Plus) to ask the Minister of Employment and Labour:**

(1) Whether research has been done on the impact the National Minimum Wage (NMW) has had on employment numbers in various business sectors; if not, why not; if so, (a) which sectors and (b) what are the relevant details;

(2) whether such research has been done specifically with regard to the impact of the NMW on employment of domestic workers; if not, why not; if so, what are the relevant details? NW782E

**REPLY:**

Thank you for the questions Honourable Denner.

1. Indeed research has been conducted annualy for the past three years, assessing the impact of the national minimum wage on employment, hours of work and wages;
2. The following sectors were studied:Agriculture, Mining, Manufacturing, Construction, Trade, Transport, Finance, Community and Social Services and private households (for example domestic workers and gardeners).
3. The recent research focused on the wage adjustments that took place in 2021 and 2022:

* The study did not observe any major shifts in aggregate employment following the NMW increases in 2021 or 2022.
* Where significant variation is observed in 2021, the effects of COVID-19 and the country’s lockdown policies are likely to be a more direct driver at the aggregate level than NMW changes, which were small for most covered workers.

1. With regards to the question on whether research has been done specifically with regard to the impact of the NMW on employment of domestic workers:
2. The study singled out the following sectors: Agriculture and Domestic Work, where national minimum wage increases have been unusually large due to equalization of these sectors to the national minimum wage
3. The study did not observe significant changes in employment during the periods driven by the increases in the national minimum wage.

**END**