

MINISTRY OF LABOUR, INDUSTRIAL RELATIONS & EMPLOYMENT CREATION

REMARKS AT THE

TRIPARTITE PLUS WORKSHOP

ON

THE NATIONAL MINIMUM WAGE

BY

B.M. SHINGUADJA EXECUTIVE DIRECTOR

16 OCTOBER 2019

WINDHOEK

Director of Proceedings,
ILO Harare Officer Director and her Team,
Ms Rache Odede – UN Resident Coordinator – Namibia,
Representatives of Employers,
Representatives of Workers,
State Representatives,
Chairperson of the Labour Advisory Council,
Representatives of the Non-Governmental Organizations,
Consultant,
Participants and Invited Guests,
Members of the Media,
Ladies and Gentlemen.

Today's Workshop is unusual in some respects but very important in the history of Namibia's labour market landscape.

The formation and composition of this Workshop is Tripartite Plus. This means that has been organized beyond the traditional tripartite set-up of the State, Employers' Organizations and Organized Labour by including NGOs and other interested Parties.

This is so because the Topic of the Workshop is broader and wider in its scope and operation. It is the first time in the history of Namibia for the question of a National Minimum Wage being discussed and integrated in the search for two things, namely: -

- establishing a national minimum wage foundation (wage floor) as opposed to the sectoral minimum wage, and
- driving the decent work (wage) agenda for all as encapsulated in the Decent Work Country Programme of Namibia.

The Workshop will first be informed about the Study and its Findings on the possible establishment and implementation of a National Minimum Wage in Namibia, its legal originality, benefits, challenges and implications which it has both on the economy and employment in Namibia.

The Namibian Constitution, Article 95, "Principle of the State Policy" on "Promotion of the Welfare of the People" states as follows: -

that "The State shall actively promote and maintain the welfare of people by adopting, inter alia, policies aimed at the following: -

(i) ensurance 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" (underlining mine).

The ILO Convention 131 of 1970 encourages member states (of which Namibia is a proud member of ILO) to ratify this Convention and establish a system of minimum wages.

Dear Participants

The above are the inspirations of today's Workshop. The State is aware of the fact that Minimum Wage is not an easy Topic hence it does not expect an ease discussion. It is one of the topics that ignites emotions, generates very divergent views and sometimes evokes economic and social threats.

However, given the sources of this Topic which are the Constitution itself and ILO International Instrument, there should be a focused, sober interactive and positive engagement driven by commitments in a truly framework of social dialogue and inclusive development. The objective is to achieve a consensus on this matter for the majority of workers in the country.

Consequently, the establishment and realization of the national minimum wage for Namibia will have good benefits not only to the individual workers and their families but to the whole economy as such. Therefore, the real socio-economic development of each country is dependent on how the workforce is treated including remuneration for its labour

The National Minimum Wage specifically sets a standard of pay system of the country whereby no one should be offered employment and being paid less than an agreed and set threshold payment (basic wage) called social protection payment floor. It ensures fair and better competition and enhances productivity amongst others.

Further to the above, the National Minimum Wage creates certainty for workers, financial institutions and service providers alike. It improves the State tax base by having clear information on the taxable earnings.

In summary, I would like to encourage all the participants to approach this Workshop with open mind to the plight of working class especially those who are very vulnerable to the powerful market forces hence State Intervention.

It is a social minefield that has to be walked over with humility if social inclusion and cohesion is to be achieved.

I leave you with the following from the "Philadelphia Declaration of 1944", "Poverty anywhere constitutes a danger to prosperity everywhere" and I thank you.

- END -