



9 September 2013

## **PRESS RELEASE**

### **CIF AND MANWU DETERMINE DATE FOR MINIMUM WAGE INCREASE**

The Construction Industries Federation (CIF) and the Metal and Allied Namibian Workers Union (MANWU) have agreed on Thursday, 5 September 2013 on when the increase of minimum wages will become applicable.

15 September 2013 will be the implementation date for the increase of minimum wages. Government Gazette No 4970 dated 19 June 2012 remains relevant until then.

Previously, on 29 May 2013, both parties had agreed that the increase of minimum wages is to become applicable as soon as the Collective Agreement has become law and is promulgated in the Government Gazette accordingly. As soon as both parties signed an agreement on conditions of employment, including minimum wages, in the construction industry a request for extension of the new "Minimum Wage Agreement" to the construction sector at large was directly submitted to the Ministry of Labour and Social Welfare. However, after four months of signing the Collective Agreement is not promulgated by government as of yet.

The agreement clearly stipulates the minimum wage requirements in Namibia's construction industry. Of immediate relevance to the industry is the adjustment to the minimum wages, which are to be increased by 9% for the first year and 9.5% for the subsequent year. The increase for the first year (9%) will be applicable from 15 September 2013 until 31 May 2014. For the subsequent year the increase (9.5%) will be applicable from 1 June 2014 – 31 May 2015.

Changes to the previous collective agreement also include an adjustment of the Service Allowance from 120 hours to 144 hours. Thus every worker will be paid equal to 144 hours of his/her wage, which will be part of the remuneration in December. This allowance will be calculated pro-rata for each fully worked month that the employee was in service during that specific year. This will also become effective as from 15 September 2013.

As the Collective Agreement is an industry-wide agreement, all construction companies are required to respect wage and other labour requirements as stipulated in the Collective Agreement; and government procurement must ensure that tenders do not reflect less favourable conditions than set out in the agreement.

For more information, contact MANWU at Tel. 061-263100 or CIF at Tel. 061-230028 or between 8.00 and 12.30 on weekdays.

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***Construction Industries Federation of Namibia***

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