

Contract Cleaning Sector, South Africa- Wages 2008

The current high inflation does herald some good news for employees in the Contract Cleaning Sector, South Africa. As a result of CPIX for September 2008, employees in Area A will receive an increased hourly rate of R11.16 instead of the R10.50 because the increase in CPIX for September 2008 exceeded 6.25%.

The sectoral determination is very clear that if the CPIX is more than 6.25% in year three, CPIX should be utilized to determine the new rate for Area A. The available CPIX rate (September 2008) as released by Statistics South Africa is 13%, therefore wages will increase by 13% in Area A.

The determination also indicates that Area C wages should increase by 90% of Area A wages. Employees in Area C therefore will receive an increase of R10.05 instead of R9.45 because Area A wages have increased to R11.16 instead of the R10.50 as indicated in the determination.

The new minimum wage rates for the sector will cover the period from 1 December 2008 to 30 November 2009.

Area A		Area B	Area C	
Metropolitan Councils: City of Cape Town, Ekurhuleni, City of Johannesburg, City of Tshwane and Nelson Mandela		In KwaZulu-Natal excluding any area covered by a bargaining council agreement	In the rest of RSA	
Local Councils: Emfuleni, Merafong, Mogale City, Metsimaholo, Randfontein, Stellenbosch, Westonarea				
Period	Rate per hour	Rate per hour	Period	Rate per hour
01/12/2008 to 30/11/2009	R 11.16**	Same rates as prescribed by the Bargaining Council.	01/12/2008 to 30/11/2009	R 10.05***
<ul style="list-style-type: none"> • **Area A: If CPIX is higher than 6.25% in year three, then the increase in year three will be equal to the CPIX. (The available CPIX utilised was the one for September which stands at 13%, which means that because CPIX is higher than 6.25% the rate to be utilised is 13%. • ***Area C: 90% of Area A rate per hour. 				