

Media release

“We need wage transparency”

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There is a recognisable need for a comprehensive wage information system in South Africa, according to representatives from business, labour, government and research units who attended a workshop on *Wage Data and Social Dialogue* in Johannesburg this week. The Executive Director of the National Economic Development and Labour Council (Nedlac), Alistair Smith, opened the workshop recognizing how innovative this attempt is to bring together such a diverse range of organisations to find ways to cooperate and contribute to the national decent work programme in a positive manner. “Social cohesion and dialogue requires relevant, accurate and transparent information”, he said.

The gathering, co-hosted by the National Economic Development and Labour Council (Nedlac); the Labour Research Service (LRS) and the National Labour and Economic Development Institute (Naledi), was to encourage discussion around the formation of an online wage information system. A user-friendly wage database will be central to this. According to Saliem Patel of the LRS, this would provide social partners and parties in collective bargaining an accurate and accessible overview of existing wages levels so as to improve dialogue and identify common challenges.

Chere Monaisa from Naledi, who carried out a survey of wage data sources prior to the workshop, said there were various reasons for establishing a wage information system online.

“There is no basic or standardised wage information system in South Africa. Currently, different organisations have their own methods, which use different variables, and are not generally shared. Meanwhile salary inequality is acknowledged as a social cohesion threat,” he said.

Patel said that what was needed was a process that not only collects wage data but stimulates social dialogue around wages, the wage gap and the relation between wages and economic development..

“We’re looking at establishing an empirical source of information that’s available and accessible to social partners, media and the public on wages, conditions of work across sectors, occupations and job grades,” he said.

It was generally agreed that there would be a need to develop partnerships, programmes and projects to ensure the sustainability of such a system.

Attendees at the workshop represented a unique gathering of business, labour, government and research units, including the South African Revenue Services (SARS), Cosatu, Fedusa, Nactu, DPRU, Statistics SA, the International Labour Organisation (ILO) and Business Unity South Africa (BUSA). There was general agreement that a wage information system online – initially known as WISO – can

encourage researchers to cooperate and improve the scope, depth and methods of research on earnings.

It was agreed that initially the system will be based on existing information available. In the future, however, workshop attendees recommended that it would be important to get as wide a range of salaries as possible, that the information needed to be kept simple and accessible, and that the database should reflect the changing face of employment and job categories.

Peggy Drodskie of the South African Chamber of Commerce and Industry (SACCI), a member of the BUSA delegation, indicated that such a system would go a long way in helping small medium and micro enterprises (SMMEs), who find it difficult to access appropriate wage information.

Jane Barret of Cosatu said that education should be part of the website package as “One must be aware of how data can be used to support particular arguments about wage structure, which could suit one set of interests as opposed to another set.”

Ian Macun of the Department of Labour commented that “Wage data collection needs to go beyond what is in the official statistics available to everybody, and should take into account information required for collective bargaining, wage regulation and wage policy”

The workshop formed part of a project for the Employment Promotion Programme based at UCT to encourage social dialogue and stimulate relevant research on wages and incomes. One of the goals of the project is to establish an online wage database which will be put in place by the next workshop in late May.

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