

Domestic Workers - Minimum Wage, UIF, Payslips



Minimum Wage for Domestic Workers

- On Monday 8 February 2021, the government published a new minimum wage for domestic workers in the Government Gazette.
- The minimum wage that is valid from 1 March 2021 requires that domestic workers be paid R19,09 per hour –
- @ 45hr work week / 195hr per month = R 3722,55
- The minimum wage for domestic workers is still less than the general minimum wage which was increased by 4,5% and currently stands at R21,69 per hour.
- According to the minimum wage commission, the two amounts will probably be placed on an equal scale in the coming years because the minimum wage must apply to all employees across South Africa, regardless of the sector.
- @ 45hr work week / 195hr per month = R 4229,55 (when the rate becomes a standard minimum wage across all jobs)
- The minimum wage of domestic workers is not only valid for domestic workers whose duties include cleaning houses, but also for gardeners, drivers, childcare workers and those caring for the elderly, sick, frail or disabled people in private households, but excludes, however, the employees who perform the abovementioned duties on farms.
- According to the minimum wage commission, the adjustment to domestic worker's wages, depending on the different pay models, will mean that a domestic worker will earn approximately R450 more per month. This amount will in all likelihood increase again in 2022.

Domestic Workers Unemployment Insurance Fund (UIF)

- As an employer of a domestic worker, you pay 1% of their salary into the UIF on a monthly basis. The employee makes a contribution (also 1%) as well; in most cases, this is also paid by the employer (since you can be almost certain it will never be paid if you don't do it).
- When you first employ a domestic worker, you must register them with South Africa's Department of Labour. You will find two forms there: UI-8D and UI-19. Complete and return both of these. Within a week, you'll receive a uFiling number, which you then use to set up your account. After that, you will be notified every month when a new payment is due; pay this fee directly via the uFiling website, or via bank transfer.

Payslips

- Create a simple payslip template and have your Domestic Worker sign upon receipt of the money, just so that there is a record.
- Record all monies paid and deducted.