

Big changes for work hours in South Africa possible – but at a cost

A proposal to change working hours in South Africa could be feasible, says development economist Dieter von Fintel, but it would require a lot of research and significant changes to the country's labour laws to push through.

The comments come after the Department of Employment and Labour noted in 2023 that the feasibility of reducing work hours in South Africa needs to be investigated.

In a parliamentary Q&A, the department [said](#) that while investigations into reducing work hours in South Africa had been conducted in the past, further research and new studies need to be undertaken to examine the possibility of further reducing them.

Citing research from Oxford University and the International Labour Organisation (ILO), the department highlighted that South African workers have some of the longest working hours in the world – with most local workers falling within a 40-48 hr work week.

The Basic Conditions of Employment Act (BCEA) provides that the maximum normal working hours allowed are 45 hours weekly (excluding overtime).

This applies to all workers in South Africa who earn below a certain threshold, which is set at R254,371.67 per year (R21,197.64 per month) as of 1 April 2024.

However, according to the department, although the BCEA specifies 45 hours, this does not mean employers should regard 45 hours as the going rate.

“The BCEA allows for the hours to be revised downward through collective bargaining agreements and contractual agreements entered into between employers and employees,” it said.

The department recommends progressively reducing normal working hours to achieve a social standard without cutting wages, citing the ILO.

To this end, the BCEA aims to reduce work hours to a 40-hour week. However, the department said research in a local context is lacking.

It could be possible, but there are risks

Commenting on whether reducing work hours in South Africa would be viable, development economist Dieter von Fintel from Stellenbosch University told BusinessTech it could be possible.

However, Von Fintel said it would require changes to the BCEA and hinge on whether employees can afford to work reduced hours – adding that further research into the impact of a significant jump in minimum wages would have on employment is also needed.

The first point of contention is the cited research on reduced hours. Given that South Africa is considered a third-world country with an abnormally high unemployment rate, we can't compare it to other countries that are likely first-world nations with employment levels way above ours.

“The average worker in a rich country can afford to work less but still be paid a good salary at the end of the month – and the evidence suggests that productivity is not necessarily negatively affected,” said Von Fintel.

“In South Africa, the average (less well-paid) worker is unlikely to earn enough on a shorter work week to make ends meet without also implementing large increases in hourly wages.

“For this reason, minimum wage legislation could be an important complement to capping work hours,” he said.

Interestingly, Von Fintel noted that research suggests that in many sectors, minimum wage increases, as implemented in South Africa, did not destroy employment but reduced work hours.

This is because employees could afford to reduce work hours while firms decided to keep workers employed but paid them for fewer hours per week to balance wage budgets.

“While we don’t know enough about this, it does suggest that many low-paid workers can do the same work in fewer hours at the same pay – i.e. without massive productivity losses.

“However, we need to know more about ‘how far’ we can increase minimum wages to ensure that firms can afford to create jobs while making it worthwhile for workers to work fewer hours at higher pay,” said Von Fintel.

He added that minimum wage increases have not adversely affected employment in South Africa because the hikes have been small.

“It is not certain that the larger hikes needed to accommodate lower caps on hours worked will have the same benign impact. More research is required,” he said.

He also noted that, organisationally, collective bargaining councils already limit work weeks to levels lower than the legislated maximum in various sectors.

However, this does not cover all workers. The BCEA would have to be changed to adapt it to uncovered sectors.

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