

Summary of the Minimum Wages and Conditions of Employment (General) Order, 2006

(Prepared by the *Jesuit Centre for Theological Reflection*)

This briefing seeks to inform you on the contents of the recently revised Minimum Wages and Conditions of Employment Act (Cap. 276), specifically Statutory Instrument (SI) 57 of 2006 that governs wages and conditions of employment for the general worker (note that shopkeepers are governed under a separate Statutory Instrument, No. 56 of 2006). Please distribute this informative document to all relevant stakeholders in Zambia, including employers, employees, trade unions, etc.

Who Qualifies under the Minimum Wages Act?

The Minimum Wages and Conditions of Employment Act applies to *all employees* (including casual workers) in Zambia, but does not apply to the following categories of employees:

- Employees of the Government of the Republic of Zambia
- Employees of a District, Municipal or City Council
- Employees engaged in domestic service
- Employees who undergo collective bargaining (unionised workers)
- Employees with a specific employment contract attested by the Ministry of Labour
- Employees in management positions (as defined under the Industrial Relations Act)

What Monthly Wages and Allowances are Employees Guaranteed?

As of 30th May 2006, qualifying employees (separated into 4 main categories) are guaranteed at minimum the following monthly wages and allowances:

Category I - General Worker, Cleaner, Handyman, Office Orderly, Watchman or Guard

- Basic Pay – K1,400 per hour or K268,800 per month (watchman or guard guaranteed 291,200 per month irrespective of hours worked)
- Transport Allowance – K80,000 per month (if residence is beyond 3 km radius of duty station)
- Lunch Allowance – K70,000 per month or free nutritious lunch
- Housing Allowance – K80,640 per month (30% basic pay if housing is not provided)
- **Minimum Monthly Pay and Allowances – K499,440 (528,560 for watchman or guard)**

Category II – Driver

- Basic Pay – K450,000 per month
- Transport Allowance – K80,000 per month (if residence is beyond 3 km radius of duty station)
- Lunch Allowance – K70,000 per month or free nutritious lunch
- Housing Allowance – K135,000 per month (30% basic pay if housing is not provided)
- **Minimum Monthly Pay and Allowances – K735,000**

Category III – Typist, Receptionist or Telephonist

- Basic Pay – K500,000 per month
- Transport Allowance – K80,000 per month (if residence is beyond 3 km radius of duty station)
- Lunch Allowance – K70,000 per month or free nutritious lunch
- Housing Allowance – K150,000 per month (30% basic pay if housing is not provided)
- **Minimum Monthly Pay and Allowances – K800,000**

Category IV – Qualified Clerk (with a formal certificate or diploma)

- Basic Pay – K715,000 per month
- Transport Allowance – K80,000 per month (if residence is beyond 3 km radius of duty station)
- Lunch Allowance – K70,000 per month or free nutritious lunch
- Housing Allowance – K214,500 per month (30% basic pay if housing is not provided)
- **Minimum Monthly Pay and Allowances – K1,079,500**

What other Benefits are Guaranteed by the Minimum Wages Act?

- **Night Shift** – employee working between 19 hrs and 06 hrs – K100 per hour shift differential
- **Work Week** – shall not exceed 48 hours
- **Overtime** – employee working in excess of 48 hours – 1 ½ times hourly pay per hour of overtime (this does not apply to a watchman or guard)
- **Sundays and Holidays** – employee working overtime on a Sunday or working on a Public Holiday – 2 times hourly pay per hour
- **Paid Leave of Absence** – after 6 months of employment – accrues at two days per month
 - Travelling Allowance – employee proceeding on leave with at least 60 accrued days – 2 days pay per 280km distance to home
 - Holiday Allowance – employee proceeding on annual leave – 1 month's basic pay
- **Paid Sick Leave** – with a medical certificate – full pay for 3 months and half pay for 3 months
 - A sick child – a female employee shall be given paid leave to nurse a hospitalised child
- **Maternity Leave** – after 2 years continuous service – 120 days maternity leave
 - Female employee shall not be dismissed due to complications in six months following delivery
- **Retirement Benefits** – upon retirement after 10 years employment and upon reaching the age of 55 – 3 months basic pay per year of service or pension from approved pension scheme
- **Medical Discharge** – if terminated on medical grounds – 2 months basic pay per year of service
- **Redundancy Benefits** – 1 months notice and 2 months basic pay per year of service
- **Repatriation Benefits** – if employee given medical discharge, declared redundant, retires, or dies in service – allowance sufficient to cover cost of transport for family and all personal affects
- **Summary Dismissal** – employer must present a report to labour office within 5 days of dismissal
 - If case doesn't warrant dismissal, employee given 2 months basic pay per year of service
- **Funeral Assistance** – upon death of employee, employee's spouse or registered child – coffin, K200,000, 50 kgs mealie meal and transport to and from the cemetery
- **Subsistence Allowance** – spending a night away from home to attend to work – K100,000/night
- **Tool Allowance** – for employees using own tools to complete work – K50,000 per month
- **Protective Clothing** – employer to provide protective clothing for dangerous work
- **Upset Allowance** – upon permanent transfer to a new town – transport plus 1 month's full salary

To make inquiries or to access the Minimum Wages and Conditions of Employment Act in full, please contact the JCTR or the Ministry of Labour and Social Security.

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