

Press Statement

13th June 2019

Enforcement of Labour Laws Can Provide Relief to Poor Households

The cost of living in Zambia has generally remained high and beyond the capacity of the majority Zambian households. Releasing the monthly bulletin for the month of May, the Central Statistics Office, CSO, announced an increase in inflation rate from 7.7 per cent in April 2019 to 8.1 per cent in May 2019. CSO attributed the cause for the increase to upward price movements in the prices of food items such as dried fish, dried Kapenta, Meat and Vegetables.

JCTR notes that the continued high cost of living is of great concern to all stakeholders, and should be a concern especially to government. Releasing the basic needs basket for the month of May, the Centre observes that despite the marginal reduction in the cost of living in some places, the cost of living remains high. The Lusaka Basic Needs Basket for the month of May reduced by K61.83 from K 5,519.47 in April 2019 to K 5,457.64 in May. However, this is still high for many households. The drop in the May Basket was largely due to reductions recorded in the prices of mealie meal, kapenta and dark green vegetables. After incessant calls and appeals from the Government, the price of Mealie meal reduced from K103 in April to K100 in May per 25kg bag of breakfast Mealie meal. The price of Kapenta reduced from K208 in April to K190 per Kg, a reduction of K18 and the price of dark green vegetables reduced from K10 to K6 per kg. Some increases were recorded in the prices of beef and cooking oil. The price of beef increased from K36 in April to K39 in May and the price of cooking oil increased from K47 in April to K51 per 2.5 Litres in May.

The decrease in the price of Kapenta and dark green vegetables was attributed to an increase in the supply of the two commodities on the market. Whilst depreciation of the Kwacha negatively affected and influenced the price of imports including cooking oil. Due to the outbreak of Foot and Mouth Disease, all imports of livestock have been temporarily banned, thereby causing a rise in beef product costs.

Government has been making some strides in increasing workers' ability to afford a humane and decent living. In 2018, it made revisions to the minimum wages Act. The changes included – an upward revision of domestic workers' wages from K522.40 per month to K993.60 and Grade 1 shop workers and general workers' wages from K1, 132 per month to K1, 698.60. In 2019 also, the Government has enacted an Employment Act in an effort to improve conditions of service for workers and bridge the gap between the cost of living and wages. According to Section 41(c) of the Employment Act, cap 268 of the Laws of Zambia, the general conditions of service of an institution or organization shall include “provision to an employee either housing, a loan or advance towards the purchase or construction of a house, guarantee facility for a mortgage or house loan on behalf of an employee or pay housing allowance”.

Jesuit Centre for Theological Reflection (JCTR), acknowledges and applauds such Government efforts. However, we do believe that a lot more still needs to be done to allow such efforts to be actualized and realized. For Government intents and efforts in the Labor legislation reforms to bear

fruit, there is a need for government to enforce the legislation. Through the Ministry of Labour and Social Security, the Labour office should carry out inspections in the formal and informal sectors to ascertain whether the rights of employees are being respected with regard to the Employment Act and Minimum Wages Act. This can be done by partnering with other government institutions and allocating more financial resources to the Ministry of Labour. Government and trade unions should take deliberate measures to sensitize employers and employees on the revised Laws. This is because compliance has been a huge problem and this issue should be given high priority. Lastly, more than enforcing Labour Laws, Government needs to create jobs for the majority Zambians who are not employed and may not be directly affected even by effective implementation of Labour Laws.

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