EMPLOYMENT

National Minimum Wage Bill tabled in Parliament

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The Portfolio Committee on Labour met in January 2019 to discuss a possible amendment to the National Minimum Wage Act 9 of 2019 (the "NMW Act") as contained in the National Minimum Wage Bill (the "Bill"). The Bill is meant to correct a cross-reference in the NMW Act and to provide for matters related therewith. The error in the NMW Act is found in section 17(4) which incorrectly makes a cross-reference to section 4(6) instead of section 4(8). Section 4(8) makes it an unfair labour practice for an employer to unilaterally change wages, hours of employment and other employment conditions. This is meant to have retrospective effect as of 1 May 2017. However, the NMW Act incorrectly makes section 4(6) retrospective therefore requiring the minimum wage to be back-dated to 1 May 2017. The purpose of the Bill is thus to ensure that section 17(4) refers to section 4(8). By correcting the cross-reference to section 4(6) it counteracts an argument that the minimum wage has retrospective effect. The time for written comments on the amendment of the Bill ended on 15 March 2019. The Bill has now been tabled in Parliament.



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