

National Minimum wage effective from 1 January 2019

The National Minimum Wage Bill, setting a minimum wage for all employees across South Africa, was signed by president Cyril Ramaphosa and the date for implementation was announced on 07 December 2018.

The National Minimum wage is set at **R20 per hour** for all employees with effect from 1 January 2019. The agricultural sector has received an exemption to pay agricultural workers **R18 per hour**.

How does this impact cellars and farms?

Cellars, who fall under the Basic Conditions of Employment Act, will be required to pay all employees from 01 January 2019, **at least R20 per hour**.

Farms & Wine Estates (with cellars on farm)*, that fall under the Sectoral Determination 13, will be required to pay all employees **at least R18 per hour**.

**there could be cellars on site that fall under the Basic Conditions of Employment Act and it is therefore important to contact the Department of Labour to determine this.*

Further exemption

Employers who are not able to afford the minimum wage can apply for exemption online. However, if exemption has not been granted by 1 January 2019, the minimum wage has to be paid until an exemption, if any, is granted.

Other requirements to consider

1. The total wage, before deductions, must meet the minimum wage.
2. No employment conditions may be changed unilaterally, i.e. without employees agreement, as a result of the minimum wage.
3. The national minimum wage applies to all employees, i.e. permanent, temporary and workers of a temporary employment service
4. Workers who are contract to work only for a few hours, must always be remunerated for at least **4 hours per day**.
5. The National Minimum Wage replace the annual wage increase in agriculture and there will therefore **not** be a further increase in March 2019.

<i>National Minimum Wage</i>		
	<i>Cellars</i>	<i>Farms & Wine Estates</i>
Hourly rate	R20	R18
Overtime hourly rate	R30	R27
Daily rate (9 hours per day)	R180	R162
Weekly rate (5 days per week)	R900	R810
Monthly rate	R3897	R3 507.30