



LABOUR LAW

Legal Update

10 February 2021

*Our Cox Yeats **Labour Law Team** is committed to keeping you informed on developing legal issues.*

BASIC CONDITIONS OF EMPLOYMENT ACT – EARNINGS THRESHOLD INCREASE (1 MARCH 2021)

The Minister of Employment and Labour, Thembelani Waltermade Nxesi, on 8 February 2021 published a notice in Government Gazette Number: 44137. Notice No: 77 which provides for an increase in the earnings threshold as set out in section 6 of the Basic Conditions of Employment Act 75 of 1997 (BCEA).

Effective from 1 March 2021 the new earnings threshold has increased from R205 433.30 per annum to R211 596.30 per annum.

It is important to note the earnings threshold as certain provisions of the BCEA such as overtime and other provisions, are not applicable to employees who earn above the threshold. Employees earning above the threshold are also not eligible to approach the Department of Labour in respect of their employer's alleged non-compliance with the BCEA or amounts owed to them in terms of the BCEA (section 70 of the BCEA) – compliance and enforcement proceedings as set out in the BCEA are not automatically available to employees earning above the threshold.

The Labour Relations Act 66 of 1995 (LRA) also contains certain provisions regulating non-standard employment specially reserved for employees earning below the threshold and have been promulgated to

“protect vulnerable employees” (sections 198A – D of the LRA). Employees earning above the threshold cannot seek protection from these sections as set out in the LRA.

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