

REPUBLIC OF SOUTH AFRICA

NATIONAL MINIMUM WAGE AMENDMENT BILL

(As initiated by the Portfolio Committee on Labour as a Committee Bill, for introduction in the National Assembly (proposed section 75); Explanatory summary of the Bill and prior notice of introduction published in Government Gazette No. of)

(The English text is the official text of the Bill)

(Portfolio Committee on Labour)

GENERAL EXPLANATORY NOTE:

[] Words in bold type in square brackets indicate omissions from existing enactments.

_____ Words underlined with a solid line indicate insertions in existing enactments.

BILL

To amend the National Minimum Wage Act, 2018, so as to correct a cross-reference; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 17 of Act 9 of 2018

1. Section 17 of the National Minimum Wage Act, 2018 is hereby amended by the substitution for subsection (4) of the following subsection:

“(4) Section [~~4(6)~~] 4(8) takes retrospective effect from 1 May 2017.”.

Short title

2. This Act is called the National Minimum Wage Amendment Act, 2019.

MEMORANDUM ON THE OBJECTS OF THE NATIONAL MINIMUM WAGE AMENDMENT BILL, 2019

1. INTRODUCTION

The National Minimum Wage Act, 2018 (Act No. 9 of 2018) (“the Act”) was assented to the President on 23 November 2018. Soon after the Act became operational, it was brought to the attention of the Portfolio Committee that section 17(4) of the Act contained an error, which resulted from the failure to effect a consequential amendment when the Act was considered by Parliament. The error has the effect of rendering section 17(4), read with section 4(6) absurd and it must be corrected.

2. OBJECTS OF THE BILL

The purpose of the Bill is to correct a technical error by correcting an incorrect cross-reference contained in section 17(4) of the Act.

3. CONTENTS OF THE BILL

3.1. Clause 1 of the Bill proposed a correction to the incorrect cross-reference contained in section 17(4) of the Act.

3.2. Clause 2 of the Bill provides the short title of the Bill.

4. FINANCIAL IMPLICATIONS FOR THE STATE

None

5. DEPARTMENTS, BODIES OR PERSONS CONSULTED

The Committee consulted the Department of Labour and Nedlac.

6. PARLIAMENTARY PROCEDURE

6.1 The Committee proposes that the Bill must be dealt with in accordance with the procedure established by section 75 of the Constitution since it contains no provisions to which the procedures set out in section 74 or 76 of the Constitution apply.

6.2 The Committee is of the opinion that it is not necessary to refer this Bill to the National House of Traditional Leaders in terms of section 18(1)(a) of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003), since it does not contain provisions pertaining to customary law or customs of traditional communities.