

Companies that cannot afford the National Minimum Wage are encouraged to apply for exemption before the implementation process begins

by Teboho Thejane (Departmental Spokesperson)

As the implementation date for the National Minimum Wage (NMW) is looming, companies and businesses that cannot afford the prescribed R20 minimum wage are urged to apply for exemption with the Department of Labour via the soon to be launched online system.

Addressing employers on the exemption process in Pretoria Southern Sun Hotel today, the Department of Labour Mathilda Bergmann, Deputy Director: Employment Standards told employers that exemptions can only be granted if every representative trade union/workers have been meaningfully consulted and all the required information by the system has been provided.

Bergmann emphasised to employers that employees should be provided with a copy of the application - downloaded from the system and a copy must be displayed at the workplace where it can be read by employees.

Application for exemptions does not make provision for manual submissions and the process can only be accessed via the NMW website www.nmw.dol.gov.za which will be running in due course.

The system will require the employers' particulars which include full name of employer; Unemployment Insurance Fund (UIF) reference, Compensation for Injuries and Diseases Act (COIDA) number; South Africa Revenue Services (SARS) number, Company Registration number; nature of business conducted; bargaining council; address and contact person names and contact details.

Assistant Director, Financial Liaison for the Department of Labour, Max Tsotetsi said the decision process for the exemption will be influenced by the affordability analysis based on the assessment of the elements of the company's profitability, liquidity and solvency positions.

Tsotetsi said once the applicant has submitted all the required information and necessary documents, the system will adjudicate the granting or rejection of exemption immediately except, when the applicant has been subjected to audit review where one will have to complete the application in 30 days.

(Information obtained from Department Of Labour website)