



WHAT IF I CAN'T AFFORD THE NATIONAL MINIMUM WAGE?

Employers who can't afford the new national minimum wage of R23,19/ hour set to kick in on 1 March 2022 can apply for exemption by logging in to <https://nmw.labour.gov.za>.

'n Werkgewer of werkgewersorganisasie mag aansoek doen om NIE die Nasionale Minimum Loon te betaal nie.

Applications must be made online on the National Minimum Wage Exemption System at www.nmw.labour.gov.za.

Vrystelling sal slegs verleen word indien daar genoegsame bewyse is:

- Dat die werkgewer nie die verhoogde loon kan bekostig nie, en
- Dat die werkgewer bewyse kan lewer dat hy met die unie of werkers gekonsulteer het, en
- Die werkgewer op datum is met toepaslike statutêre betalings (naamlik UIF, WCA)

BEPERKINGS

* Vrystelling sal vir n maksimum van 12 maande geldig wees,

(6) *The delegated authority may grant an exemption from paying the national minimum wage-*

(a) *only from the date of the application for the exemption and specifying the period for which it is granted, which may not be more than 12 months,*

* Loon na Vrystelling mag nie minder as 90% van NML wees nie.

(7) *The wage thresholds below which no exemption may be granted are:*

(b) *Ninety percent (90%) of the national minimum wage in respect of farm workers;*

Exemption will be granted if:

- a) The applicant cannot afford to pay the prescribed increase in minimum wages
- b) To test affordability [commercial] elements of Profitability, Liquidity and Solvency, are taken into account.

Exemption will be refused if:

- a) The applicant appears to be able to afford to pay the prescribed increase in minimum wages, taking the elements of Profitability, Liquidity and Solvency, into account.



9 EASY STEPS TO APPLY FOR NATIONAL MINIMUM WAGE EXEMPTION

- Step 1 – Go to: <https://nmw.labour.gov.za>, and register.
- Step 2 – Once registered you will receive an email with your user number and password. Log Into application by entering your Username & Password.
- Step 3 – Select Business type (Sole proprietary, Cc, (Pty) Ltd, Trust, ext..). Where applicable provide registration number.
- Step 4 – Complete Employer's details, including physical & postal address, Contact details, and details of Contact person. (P.S: We fall under the Agriculture, Hunting, Forestry & Fishing sector).
- Step 5 – Complete employee/Workforce information. "Affected employees" means number of employees for whom you seek exemption.
- Step 6 – Complete employer financial information.
- Step 7 – Confirm employer declaration and SUBMIT application.
- Step 8 – If no audit is triggered, you will be able to print exemption certificate. Display certificate at workplace. Provide a copy to union/employees if it is requested.
- Step 9 – Where applicable load required/requested documents onto system.

DETAILS TO BE INCLUDED IN APPLICATION FOR EXEMPTION FORM

1. If an application is made by a registered employers' organization

- (a) its full name, address and registration number;
- (b) the list of employers on behalf of whom the organization is making the application; and
- (c) the Bargaining Council that it is affiliated to.

2. Employer's Particulars

- (a) Full name of employer including trade and brand names.
- (b) Unemployment Insurance Fund Registration number.
- (c) Compensation Fund Registration number.
- (d) SARS number.
- (e) Company registration number.
- (f) Physical address.
- (g) Postal address.
- (h) Contact person.



- (i) Contact details including telephone numbers, mobile phone numbers, fax numbers and email addresses.
- (j) Nature of business and sector.
- (k) Whether there is a bargaining council with jurisdiction.
- (l) Whether there is any sectoral determination binding on the employer.
- (m) Whether there is any collective agreement binding on the employer and the affected workers.

3. Employment details

- (a) The number of workers in the employer's workplace and their employment status e.g. permanent, fixed term, seasonal.
- (b) The number of workers to whom the application is to apply and their employment status e.g. permanent, fixed term, seasonal.
- (c) Details of current wages in respect of the workers contemplated in sub-item (b).
- (d) Details of the hours of work of the workers contemplated in sub-item (b).
- (e) Details of the number of months of work of the workers contemplated in sub-item (b).

4. Financial Information

In respect of a business or organization, full financial statements of the business for the **3 years** (current year predictions and 2 previous years) and such other information that may be needed as prompted by the system (including

- depreciation,
- entertainment,
- write offs,
- finance cost,
- donations,
- profit/loss on disposal assets,
- operating expenses,
- tax,
- dividends,
- other expenses) to determine whether or not the employer can afford to pay the national minimum wage.