



2022 National Minimum Wage increase

Employment and Labour Minister, Thulas Nxesi announced in February 2022 that the National Minimum Wage (NMW) for each ordinary hour worked has been increased from R21,69 to R23.19 for the year 2022 with effect from 01 March 2022. [Click here to view notice on NMW increase](#)

The annual earnings threshold will be increased from R211 596.30 per year to R224,080.48 per year as of 01 March 2022. The earnings threshold is the 'dividing line' where certain provisions of the Basic Conditions of Employment Act, 1997 (BCEA), the Labour Relations Act, 1995 (LRA) and the Employment Equity Act, 1998 (EEA) apply. [Click here to view notice on determination: earnings threshold](#)

In terms of the law, it is illegal and unfair labour practice for an employer to unilaterally change working hours or other employment conditions in order to implement the NMW. The NMW is the amount payable for ordinary hours of work and excludes payment of allowances (such as transportation, tools, food, or lodging), payments in kind (board or lodging), tips, bonuses, and gifts.

The National Minimum Wage Commission considers the following factors when determining the annual adjustment: inflation, the cost of living, and the need to maintain the value of the minimum wage; gross domestic product; wage levels and collective bargaining outcomes; productivity; employers' ability to carry on their businesses successfully; the operation of small, medium, or micro- enterprises and new enterprises; and the likely impact of the recommendation adjustment on employment or the creation of employment. Workers who have concluded learnership agreements of the Skills Development Act, 1998 (Act No 97 of 1998), are entitled to allowances contained in schedule 2.

The Act of 2018 requires the NMW Commission to review the rates on an annual basis and make recommendations to the Minister on any changes to the national minimum wage, while also taking into account alternative viewpoints, including those of the general public.

Employees earning more than R224 080,48 per year are exempt from the sections of the BCEA. These sections protect vulnerable employees by regulating, among other things, working hours, overtime, and compressed schedules. working time, average hours of work, meals interval, daily and weekly rest periods, pay for work on Sundays, night work, and work on public holidays.

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