1. **Report of the Portfolio Committee on Labour on the National Minimum Wage Amendment Bill [B 9-2019], dated 18 March 2019**

The Portfolio Committee on Labour (the “Committee”), having initiated the National Minimum Wage Amendment Bill [B 9 -2019] (the “Bill”) and classified by the Joint Tagging Mechanism as a section 75 Bill, reports as follows:

1. **Introduction**

When the National Minimum Wage Bill [B 31 - 2017] was introduced, section 17(4) correctly, at the time, cross referred to section 4(6). The Committee, however, amended section 4 with two additional subsections being inserted, so that the original section 4(6) became section 4(8). However, the required consequential amendment to section 17(4) was not effected.

The Portfolio Committee on Labour agreed to request permission in terms of Rule 273(1) of the National Assembly to develop a Committee Bill, the National Minimum Wage Amendment Bill [B 9-2019]. The aim of the Bill is to amend the National Minimum Wage Act, 2018 (Act No. 9 of 2018) so as to correct an incorrect cross-referencing in section 17(4).

It is envisaged that this amendment should be effected through the substitution of section 17(4) of the Act of a new subsection, which reflects the correct cross reference, namely “section 4(8)”.

This report outlines the process followed in developing this Bill, the amendment made to the National Minimum Wage Act, 2018 (Act No. 9 of 2018), the Joint Tagging Mechanism’s decision, its certification, and the recommendation to the National Assembly.

1. **Process followed to amend the National Minimum Wage Act**

On 16 January 2019, the Portfolio Committee on Labour unanimously agreed to initiate the process of a Committee Bill, the National Minimum Wage Amendment Bill, to correct the incorrect cross-referencing error on the National Minimum Wage Act. The Committee resolved to develop a draft Memorandum as required by National Assembly Rule 273(1) and draft a Bill if permission was granted by the National Assembly.

On 16 January 2019, the Constitutional and Legal Services Office submitted a draft Bill for the Committee’s consideration. The Committee further engaged the Department of Labour and the National Economic Development and Labour Council (NEDLAC) so as to ascertain whether there will be any further cost implications the department would incur with the introduction of the Bill. It is not envisaged that the implementation of the Committee Bill will incur costs*.*

The Committee advertised for public comments in national daily and weekly newspapers, on Parliament’s website and on social media platforms, as well as in the Government Gazette *(No 42240, Notice 91 of 2019, 22 February 2019).*The closing date for written submissions was Friday, 15 March 2019. The Committee received five submissions from the following stakeholders which were all considered on 18 March 2019:

1. Mr Elcort Matlala – in his own capacity as a member of the public;
2. Independent Municipal and Allied Trade Union (IMATU);
3. Black First Land First (BLF);
4. Congress of South African Trade Unions (COSATU); and
5. Commission for Gender Equality (CGE).

The Committee considered and deliberated on all submissions received.

1. **Classification**

In terms of National Assembly Rule 279(1)(c)(vi), a Bill introduced by a Committee must include a legal opinion by the Parliamentary Legal Advisor on the classification of the Bill. The legal opinion was submitted and subsequently the Joint Tagging Mechanism classified the Bill as a section 75 Bill.

1. **Certification of the Bill**

In compliance with National Assembly Rule 279(4), a Bill introduced by a Committee must be certified by the Chief Parliamentary Legal Advisor or a Parliamentary Legal Advisor designated by him or her. Mr M Prince, the designated Parliamentary Legal Advisor, certified that the National Minimum Wage Amendment Bill, 2019, intended for introduction in the National Assembly by the Portfolio Committee on Labour is -

1. consistent with the Constitution and existing legislation; and
2. properly drafted in the form and style which conforms to legislative drafting practice.
3. **Recommendation**

The Portfolio Committee on Labour, having considered the subject of the National Minimum Wage Amendment Bill [B 9-2019], recommends that the House adopts this report and approves the Second Reading of the Bill as introduced.

1. **Acknowledgements**

The Chairperson thanks all Members of the Committee for their active participation during the process of engagement and deliberations on the Bill. Furthermore, the Committee wishes to express its gratitude to the individuals, organisations, and stakeholders who participated in the process and contributed to the development of the Bill.

**Report to be considered.**