Better
Every Day

OVERTIME EXPLANATION

Montego
Pet Nutrition

1. PURPOSE

This document is meant to help Montego employees understand how overtime is calculated and the different scenarios that come with it based on the annual earnings threshold.

2. EARNINGS THRESHOLD

Section 6 of the Basic Conditions of Employment Act makes provision for the Minister of Labour to publish a determination on the advice of the Commission that will exclude employees earning above a certain amount per year from sections of *Chapter 2 of the Act,* which regulates employees' working hours. i.e.:

- **Section 9:** Ordinary hours of work
- **Section 10:** Overtime
- **Section 11:** Compressed working week
- **Section 12:** Averaging of hours of work
- **Section 13:** Determination of hours of work by Minister
- **Section 14:** Meal intervals
- **Section 15:** Daily and weekly rest period
- **Section 16:** Pay for work on Sundays.
- **Section 17:** Night work - 17(2) that deals with transport and night shift allowances.
- **Section 18:** Public holidays: 18(3) deals with payment for work on a public holiday that falls on a day the employee would ordinarily not have worked.

The annual earnings threshold referred to in the *Gazette* is defined as an employee's regular yearly remuneration before the deduction of Income Tax, Pension, Medical Aid, and similar payments, but excluding similar payments/contributions made by the employer in respect of the employee.

Employees who earn below the earnings threshold are compensated differently for overtime hours than those who earn above the earnings threshold.

The below schedule details the overtime calculations for employees who earn below and above the earnings threshold.

OVERTIME DEPARTMENTAL SCHEDULE

Administrative Employees (S employee number)
Workweek = Monday to Friday

Administrative Employees	Overtime Period	IT (hours worked times)	Engineering (hours worked times)	Centurion (hours worked times)
Earning under the annual limit	**Normal overtime** (during the week)	x 1.5	x 1.5	x 1.5
	Saturday Work	x 1.5	x 1.5	x 1.5
	Sunday Work	x 2	x 2	x 2
	Public Holiday (during the week)	x 1	x 1	x 1
	Public Holiday (over a weekend)	x 2	x 2	x 2
Earning more than the annual limit	**Normal overtime** (during the week)	x 1	x 1	x 1
	Saturday Work	x 1	x 1	x 1
	Sunday Work	x 1.5	x 1.5	x 1.5
	Public Holiday (during the week)	x 0.5	x 0.5	x 0.5
	Public Holiday (over a weekend)	x 1.5	x 1.5	x 1.5
All	**Stand-by Allowance**	R750.00 per week	Fixed R800.00 per month	NONE
Limits			Normal overtime of more than 40 hours is time off. Only 40 hours are payable.	

3. EARNING BELOW THRESHOLD

Overtime Calculations – Earning Below the Threshold

Employees earning below the threshold amount published by the Minister of Labour on the advice of the Commission have the complete protection of every section of the *Basic Conditions of Employment Act (BCEA)* or, in the case of Security employees, the *Sectoral Determination 6: Private Security Sector.*

Overtime will only become due and payable after nine (9) hours worked in a day or forty-five (45) hours worked per week calculated at the applicable rate for employees whose hours are regulated by the *BCEA* and forty-eight (48) hours in any week or twelve (12) hours on any day for Security Officers as regulated by *Sectoral Determination 6: Private Security Sector.*

3.1 TEN (10) HOUR SHIFT (DAY SHIFT)

Assumption:

The employee works 07:00 – 17:00 daily, Monday to Friday. Therefore, he/she works ten (10) hours minus a one (1) hour lunch break, equating to nine (9) normal working hours per day and forty-five (45) hours per week.

The employee earns twenty-eight rand and twenty cents (R28.20) per hour.

3.1.1 SCENARIO 1 (Overtime x1.5):

The above employee worked a twelve (12) hour shift on a Wednesday.

- Overtime Application:
  - The *BCEA* states that an employee is entitled to at least one and one-half times (x1.5) the employee's normal hourly rate where an employee works more than forty-five (45) hours in any week or nine (9) hours in any day.

- Overtime hours calculated:
  - Twelve (12) hours worked minus one (1) hour break, which is eleven (11) hours worked.
  - Eleven (11) hours worked minus nine (9) normal hours is equal to two (2) hours overtime worked.
  - The two (2) hours will be paid in addition to his/her basic salary and indicated on a separate line on the payslip.

- Overtime Rand Value Calculated:
  - R28.20 p/hour x 1.50 overtime rate = R42.30
  - 2 hours x R 42.30 = R 84.60 (overtime rand value).

3.1.2 SCENARIO 2 (Overtime x1.5):

The above employee worked his/her normal hours during the week but was requested to work on Saturday from 08:00 to 13:00.

- Overtime Application:
  - Normal working hours for the week are forty-five (45) hours.
  - The *BCEA* states that an employee is entitled to at least one and one-half times (x1.5) the employee's normal hourly rate when working more than forty-five (45) hours a week.

- Overtime Hours calculated:
  - Fifty (50) hours worked for the week minus forty-five (45) regular hours is equal to five (5) hours overtime worked for the week.
  - The additional five (5) hours must be paid one and a half times (x1.5) the employee's normal hourly rate and will be indicated on a separate line on the payslip.

- Overtime Rand Value calculated:
  - R28.20 p/hour x 1.50 overtime rate = R42.30
  - 5 hours x R 42.30 = R211.50 (overtime rand value).

3.1.3 SCENARIO 3 (Sunday x2)

The above employee is requested to work on Sunday from 08:00 – 12:00.

- Overtime application:
  - The *BCEA* states that an employer must pay an employee who works on a Sunday at double (x2) the employee's wage for each hour worked unless the employee ordinarily works on a Sunday, in which case the employer must pay the employee at one and one-half times (x1.5) the employee's wage for each hour worked.
  - Montego, however, pays employees at double (x2) their hourly rate for shifts worked on a Sunday.

- Overtime Hours calculated:
  - The four (4) hours worked on the Sunday will be reimbursed in addition to his/her basic salary as the Sunday does not form part of his/her normal working hours.
  - Four (4) hours x 2 = eight (8) hours to be reimbursed in addition to his/her basic salary and indicated on a separate line on the payslip.

- Overtime Rand Value calculated:
  - R28.20 p/hour x 2 overtime rate = R56.40
  - 4 hours x R56.40 = R225.60 (overtime rand value).

3.1.4 SCENARIO 4 (PPH Worked x1):

The employee worked nine (9) hours on a Public Holiday on a Thursday, usually his/her typical working day.

- Overtime Application:
  - The *BCEA* states that employees earning below the threshold shall be paid double (x2) their basic salary for work performed on a Public Holiday / Sunday.
  - Because Thursday is a normal working day, this employee will already be paid nine (9) hours for Thursday, which is included in the one hundred and ninety-five (195) hours he/she gets paid monthly.
  - The employee must be paid an additional one (1) hour for each of the hours worked on that Public Holiday.

- Overtime Calculation:
  - Nine (9) hours already in basic salary.
  - An additional nine (9) hours will be paid at the employee's normal hourly rate and indicated on a separate line on the payslip.

- Overtime Rand Value Calculated:
  - 9 hours x R28.20 = R253.80 already included in his/her basic salary.
  - An additional nine (9) hours x R28.20, which equates to R253.80 for the nine (9) hours worked on the Public Holiday, are shown on a separate line on the payslip.
  - The employee thus received R507.60 in total for the Public Holiday worked.

3.1.5 SCENARIO 5 (PPH Worked x2):

The employee must work on a Saturday, a Public Holiday, different from his/her usual working days. He/She has to work from 08:00 – 13:00.

- Overtime Application:
  - The *BCEA* states that employees earning below the threshold shall be paid double (x2) their basic salary for work performed on a Public Holiday / Sunday.
  - Instead of being paid one and a half times (x1.5) his/her hourly rate as per the previous example for work done on a normal Saturday, which is not a Public Holiday, he/she will be paid double (x2) his normal hourly rate for all the hours worked on that day but not three and a half times (x3.5) his/her rate.
  - Saturdays are not included in his/her normal working days, so the five (5) hours worked will also not form part of his/her basic salary hours.
  - Therefore, the five (5) hours will be paid additional to his/her basic salary at double (x2) the ordinary hourly rate and will be indicated on a separate line on the payslip.

- Overtime Hours calculated:
  - Five (5) hours x 2 = ten (10) hours
  - The employee needs to be paid an amount equal to ten (10) hours in addition to his/her basic salary.

- Overtime Rand Value Calculated:
  - R 28.20 p/hour x 2 overtime rate = R56.40
  - 5 hours x R 56.40 = R 282.00 (overtime rand value)

3.2 EIGHT (8) HOUR SHIFT (SHIFT EMPLOYEES)

Assumption:

The employee works on a four (4) shift seven (7) day week rotation system, which includes Sundays and Public Holidays. He/She works eight (8) hours minus a thirty (30) minute lunch break, which equals seven and a half (7.50) normal daily working hours.

The employee earns R28.20 per hour.

3.2.1 SCENARIO 1 (PPH Worked x1 OR Sunday 1.0):

The employee worked an eight (8) hour shift on a Public Holiday OR Sunday (which was a scheduled working shift).

- Overtime Application:
  - The *BCEA* states that employees earning below the threshold shall be paid double (x2) their basic salary for work performed on a Public Holiday / Sunday unless the employee ordinarily works on a Sunday, in which case the employer must pay the employee at one and one-half times (x1.5) the employee's wage for each hour worked.
  - Although Montego employees ordinarily work on a Sunday, Montego still remunerates employees at double (x2) their hourly rate for shifts worked on a Sunday.
  - Because the shift work was a normal working day, this employee will already be paid seven and a half (7.50) hours for the shift, which is included in the one hundred and ninety-five (195) hours he/she gets paid monthly.
  - The employee must be paid an additional one (1) hour for each of the hours worked on the scheduled Public Holiday or Sunday.

- Overtime hours calculated:
  - Seven and a half (7.50) hours already in basic salary.
  - Additional seven and a half (7.50) hours to be paid at the employee's normal hourly rate and indicated on a separate line on the payslip.

- Overtime Rand Value calculated:
  - 7.50 hours x R28.20 = R211.50 already included in his/her basic salary.

- Additional 7.50 hours x R28.20, which equates to R211.50 for the 7.50 hours worked on the Public Holiday / Sunday, shown on a separate line on the payslip.
- The employee thus received R423.00 for the Public Holiday / Sunday worked.

3.3 TWELVE (12) HOUR SHIFT (CENTURION MANUFACTURING SHIFT)

Assumption:

The employee works on a three (3) shift seven (7) day week rotation system, which includes Sundays and Public Holidays. He/She works twelve (12) hours minus a ninety (90) minute lunch break, which equates to ten and a half (10.50) normal working hours per day.

The employee earns twenty-eight rand twenty cents (R28.20) per hour.

3.3.1 SCENARIO 1 (Overtime x1.5):

The employee worked a twelve (12) hour shift on a normal scheduled working day.

- Overtime Application:
  - The *BCEA* states that an employee needs to be paid overtime of one and a half times (x1.5) his/her normal hourly rate for every hour worked more than nine (9) hours on any day; therefore:
    - The employee who works a twelve (12) hour shift on a specific day will be reimbursed for nine (9) normal hours, reflected in his/her basic salary, and will form part of his/her one hundred and ninety-five (195) hours for the month.
    - Every hour over the nine (9) hours a day is paid at one and a half times (x1.5) his normal hourly rate.

- Overtime Hours calculated:
  - Twelve (12) hours worked minus a ninety (90) minute break, which is ten and a half (10.50) hours worked.
  - Ten and a half (10.50) hours worked minus nine (9) normal hours is equal to one and a half (1.50) hours overtime worked.
  - The one and a half (1.50) hours will be paid in addition to his/her basic salary at one and a half times (x1.5) the employee's normal hourly rate and will be indicated on a separate line on the payslip.

- Overtime Rand Value calculated:
  - R28.20 p/hour x 1.50 overtime rate = R42.30
  - 1.50 hours x R 42.30 = R63.45 (overtime rand value).
  - The employee will, therefore, be paid an additional R63.45 for the shift, indicated on a separate line on the payslip.

3.3.2 SCENARIO 2 (PPH worked OR Sunday worked):

The employee worked a twelve (12) hour shift on a Public Holiday / Sunday (Scheduled shift).

- Overtime Application:
  - The *BCEA* states that employees earning below the threshold shall be paid double (x2) their basic salary for work performed on a Public Holiday / Sunday unless the employee ordinarily works on a Sunday, in which case the employer must pay the employee at one and one-half times (x1.5) the employee's wage for each hour worked.
  - Although Montego employees ordinarily work on a Sunday, Montego still remunerates employees at double (x2) their hourly rate for shifts worked on a Sunday.
  - Because the shift work was a normal working day, this employee will already be paid nine (9) hours for the shift, which is included in the one hundred and ninety-five (195) hours he/she gets paid monthly.
  - The employee needs to be paid an additional nine (9) hours at one time; the employee's wage (equating to eighteen (18) hours) will be shown on a separate line on the payslip.
  - The one and a half (1.50) hours above the nine (9) normal hours do not form part of the one hundred and ninety-five (195) hours basic salary; the one and a half (1.50) hours are paid at double (x2) the employee's hourly rate and will be shown on a separate line on the payslip.

- Overtime Hours calculated:
  - Twelve (12) hours worked minus a ninety (90) minute break, which is ten and a half (10.50) hours worked.
  - Nine (9) hours of the ten and a half (10.50) hours worked are already included in the basic salary.
  - An additional nine (9) hours will be paid at the employee's normal hourly rate.
  - The one and a half (1.50) hours will be paid double (x2) the employee's normal hourly rate.

- Overtime Rand Value calculated:
  - R28.20 p/hour x 1.00 overtime rate = R28.20
  - 9 hours x R28.20 = R253.80 (overtime rand value - Indicated on a separate line on the payslip)
  - R 28.20 p/hour x 2.00 overtime rate = R 56.40
  - 1.50 hours x R56.40 = R84.60 (overtime rand value – indicated on a separate line on the payslip).
  - The employee thus received R592.20 for the Public Holiday / Sunday worked.

3.4 TWELVE (12) HOUR SHIFT (PRIVATE SECURITY SECTOR)

Assumption:

The employee is a Security Officer and works a twelve (12) hour shift with a sixty (60) minute break, equating to eleven (11) normal working hours per day and two hundred and eight (208) hours per month.

The employee earns forty-three rand (R43.00) per hour.

3.4.1 SCENARIO 1 (Overtime x0.50):

The employee worked a twelve (12) hour shift on a scheduled Sunday shift.

- Overtime Application:
  - In terms of *Sectoral Determination 6: Private Security Sector* compensation for work on a Sunday will be at one and one-half times (x1.5) the employee's normal hourly rate when an employee ordinarily works on a Sunday.
  - Because the shift worked was on a normal working day, this employee will already be paid eleven (11) hours for the shift, which is included in the two hundred and eight (208) hours he/she gets paid monthly.
  - The employee must be paid an additional half (x0.50) times the employee's normal hourly rate for each of the hours worked on the scheduled Sunday and will be shown on a separate line on the payslip.

- Overtime Hours calculated:
  - Eleven (11) hours already in basic salary.
  - An additional eleven (11) hours will be paid at half times (x0.50) the employee's normal hourly rate.

- Overtime Rand Value Calculated:
  - R43.00 p/hour x 11 hrs = R473.00 already included in his basic salary
  - R43.00 p/hour x 0.50 = R21.50 (overtime rate)
  - Additional 11 hours x R21.50 equates to R236.50 for the 11 hours worked on Sunday
  - The employee thus received R709.50 in total for the Sunday worked.

NB: If the above Security Sector employee worked an eleven (11) working hour shift on a **Non-scheduled Sunday shift**, then the eleven (11) hours will be paid additionally at the full one and a half (x1.5) times his/her normal hourly rate:

  - R43.00 p/hour x 1.50 = R64.50 (overtime rate)
  - 11 hrs worked x R64.50 = R709.50 (these eleven (11) hours will be shown on a separate line on the payslip).

3.4.2 SCENARIO 2 (PPH worked x1):

The employee worked a twelve (12) hour shift on a scheduled Public Holiday shift.

- Overtime Application:
  - In terms of *Sectoral Determination 6: Private Security Sector* compensation for work on a Public Holiday will be at double (x2) the employee's normal hourly rate.
  - Because the shift worked was a normal working day, this employee will already be paid eleven (11) hours for the shift, which is included in the two hundred and eight (208) hours he/she gets paid monthly.
  - The employee will be paid an additional one times (x1) the employee's normal hourly rate for each of the hours worked on the scheduled Public Holiday and shown on a separate line on the payslip.

- Overtime Hours calculated:
  - Eleven (11) hours already in basic salary.
  - An additional eleven (11) hours are to be paid at one time, the employee's normal hourly rate.

- Overtime Rand Value Calculated:
  - R43.00 p/hour x 11 hrs = R473.00 already included in his/her basic salary
  - R43.00 p/hour x 1.00 = R43.00 (overtime rate)
  - Additional 11 hours x R43.00, which equates to R473.00 for the 11 hours worked on the Public Holiday
  - The employee thus received R946.00 for the Public Holiday worked.

<u>**NB:**</u> If the above Security Sector Employee worked an eleven (11) working hour shift on a **Non-scheduled Public Holiday shift**, then the eleven (11) hours will be paid additionally at double (x2) his/her normal hourly rate:

- R 43.00 p/hour x 2.00 = R 86.00 (overtime rate)
- 11 hrs worked x R 86.00 = R 946.00 (These 11 hours will be shown on a separate line on the payslip)

3.4.3 SCENARIO 3 (Overtime x1.50):

The employee worked a fourteen (14) hour shift on a normal working day.

- Overtime Application:
  - In terms of *Sectoral Determination 6: Private Security Sector* compensation for overtime more than twelve (12) hours a day must be remunerated at one and one-half times (x1.5) the employee's normal hourly rate.

- The employee who works a fourteen (14) hour shift on a specific day will be reimbursed for eleven (11) normal hours, reflected in his/her basic salary, and will form part of his/her two hundred and eight (208) hours for the month.
- Every hour over eleven (11) hours a day is paid at one and a half times (x1.5) his/her normal hourly rate and will be shown separately on his/her payslip.

- Overtime Hours calculated:
  - Fourteen (14) hours worked minus a sixty (60) minute break, which equates to thirteen (13) hours worked.
  - Thirteen (13) hours worked minus eleven (11) normal hours is equal to two (2) hours overtime worked.
  - The two (2) hours will be paid in addition to his/her basic salary at one and a half times (x1.5) the employee's normal hourly rate.

- Overtime Rand Value calculated:
  - R43.00 p/hour x 1.50 overtime rate = R64.50.
  - 2.00 hours x R64.50 = R129.00 (overtime rand value).
  - The employee will, therefore, be paid an additional R129.00 for the shift.

4. EARNING ABOVE THRESHOLD

Overtime Calculation Earning above the Threshold

Employees earning above the earnings threshold will not be reimbursed for hours worked more than nine (9) hours per day or forty-five (45) hours per week and hours worked on a Sunday or Public Holiday. Where applicable, the employee's Manager may allow for time off if the employee has worked overtime, or under exceptional circumstances, the employee's Head of Department (HOD) may approve payment at the employee's normal hourly rate.

To accommodate the IT and Engineering Departments' need to work outside of regular business hours, a special arrangement was implemented. In terms of the arrangement, salaries were adjusted upwards to compensate for the average overtime they typically received, followed by overtime at a revised rate.

4.1. IT EMPLOYEES EARNING ABOVE THE THRESHOLD

Employees in this department must be on Standby for emergency calls and perform emergency work outside normal working hours.

Due to a historic agreement, these employees are paid a *Standby Allowance* of seven hundred and fifty (R750.00) per week, if they are on Standby for that specific week.

Assumption

The employee works weekly from Monday to Friday from 08:00 - 17:00. Therefore, he/she works nine (9) hours minus a one (1) hour lunch break, equating to eight (8) normal working hours per day.

The employee earns one hundred rand (R100.00) per hour.

4.1.1. SCENARIO 1 (Overtime x1)

The employee is called to perform work from 20:00 - 23:00 on a Wednesday.

- Overtime Application:
    - Should the employee be required to perform work outside his/her normal working hours on any day other than a Sunday or Public Holiday, he/she will be paid an extra hour at his/her normal hourly rate for every hour worked but not one and a half times (x1.5) his/her normal hourly rate as he/she earns above the earnings threshold and as stated above the regulations relating to overtime payment does not apply.

- Overtime Hours calculated:
    - Three (3) hours worked.

- Overtime Rand Value calculated:
    - R100.00 x 3 hours = R300.00 additional to his/her basic monthly salary.
    - Indicated on a separate line on the payslip.

4.1.2. SCENARIO 2 (Overtime x1)

The employee is called to perform work on a Saturday from 08:00 – 13:00.

- Overtime Application:
    - Should the employee be required to perform work on a Saturday which does not form part of his/her normal workdays, he/she will be paid an extra one (1) hour at his/her normal hourly rate for every hour worked but not one and a half times (x1.5) his/her normal hourly rate as he/she earns above the earnings threshold and as stated above the regulations relating to overtime payment does not apply.

- Overtime Hours Calculated:
    - Five (5) hours worked.

- Overtime Rand Value calculated:
    - R100.00 x 5 hours = R500.00 additional to his/her basic monthly salary.
    - Indicated on a separate line on the payslip.

4.1.3. SCENARIO 3 (Overtime x1.5)

The employee is called to perform work on a Saturday which is also a Public Holiday. The work takes five (5) hours to complete from 08:00 – 13:00.

- Overtime Application
    - Because this is not one of his/her normal working days and not a normal Saturday, the employee will be paid one and a half times (x1.5) his/her normal hourly rate.

- Overtime Hours calculated.
    - The work takes five (5) hours to complete.

- Overtime Rand Value calculated:
    - R100.00 x 1.5 = R150.00
    - 5 hours x R150 = R750.00, paid in addition to his basic monthly salary for the 5 hours he worked on the public holiday Saturday.
    - Indicated on a separate line on the payslip.

4.1.4. SCENARIO 4 (Overtime x1.5)

The employee is called to perform work on a Sunday. The work takes five (5) hours to complete from 08:00 – 13:00.

- Overtime Application:
  - Because this is not one of his/her normal working days and because it is a Sunday, the employee will be paid one and a half times (x1.5) his normal hourly rate.

- Overtime Hours calculated:
  - The work takes five (5) hours to complete.

- Overtime Rand Value calculated:
  - R100.00 x 1.5 = R150.00
  - 5 hours x R150.00 = R750.00 additional to his/her basic monthly salary.
  - Indicated on a separate line on the payslip.

4.1.5. SCENARIO 5 (Overtime x0.5)

The employee must work from 08:00 – 17:00 on a Wednesday, which is a Public Holiday.

- Overtime Application:
  - Should the employee be required to perform work on a Public Holiday, which forms part of his/her normal workdays (i.e. Monday – Friday), he/she will be paid one and a half times (x1.5) his normal hourly rate for every hour worked.
  - What is important to note is that the normal workday hours are already included in his/her basic salary; therefore, he/she is already paid (x1) for the day, and an additional (x0.5) is still owed.

- Overtime Hours Calculated:
  - Eight (8) hours (x1) is included in his normal one hundred and ninety-five (195) hours per month (as it is a normal workday) and forms part of his/her basic monthly salary.
  - Eight (8) hours worked on the Public Holiday will be paid in addition to his/her normal daily income at half (x0.50) times his/her normal hourly rate (This makes the payment of eight (8) hours one and a half times (1.5x) of the Public Holiday hours.

- Overtime Rand Value calculated:
  - 8 hours x R100.00 (already included in basic monthly salary) = R800.00
  - R100.00 p/hour x 0.50 = R50.00
  - 8 hours worked x R50.00 = R400.00.
  - Indicated on a separate line on the payslip.

- R800.00 + R400.00 = R1 200.00 paid for the Public Holiday work
- Alternatively, 8 hours x 1.5 = 12 hours that the employee needs to be paid for the Public Holiday.
- 12 hours x R100.00 p/hour = R1 200.00 for the day.

4.1.6. SCENARIO 6 (Overtime x0.5)

The employee is called to work from 20:00 – 23:00 on a Public Holiday on a Thursday.

- Overtime Application:
  - Should the employee be required to work on a Public Holiday, which is part of his/her normal workdays, but the work is done outside the normal hours from 08:00 – 17:00, he/she will be paid (x0.50) his/her normal hourly rate additional to his/her basic salary.

- Overtime Hours calculated:
  - Eight (8) hours (x1) is included in his/her normal one hundred and ninety-five (195) hours per month (as it is a normal workday) and forms part of his/her basic monthly salary.
  - Three (3) hours worked on the Public Holiday will be paid in addition to his/her normal daily income at half (x0.50) times his/her normal hourly rate (This makes the payment of the three (3) hours one and a half times (x1.5) of his/her normal hourly income for the day).

- Overtime Rand Value calculated:
  - 8 hours x R100.00 (already included in basic monthly salary and paid for the day) = R800.00
  - R100.00 p/hour x 0.50 = R50.00
  - 3 hours worked x R50.00 = R150.00.
  - Indicated on a separate line on the payslip.
  - R800.00 + R150.0 = R950.00 paid for the Public Holiday work.

4.2. ENGINEERING EMPLOYEES EARNING ABOVE THE THRESHOLD.

Employees in this Department must be on Standby for emergency calls and perform emergency work outside normal working hours.

Employees in this Department receive a *Standby Allowance* of eight hundred rand (R800.00) per month for being on Standby.

Assumption

The employee works weekly from Monday to Friday from 07:00 – 16:30. Therefore, he/she works nine (9) hours minus a thirty (30) minute lunch break, equating to nine (9) normal working hours per day.

The employee earns one hundred rand (R100.00) per hour.

4.2.1. SCENARIO 1 (Overtime x1)

The employee is called to perform work from 20:00 – to 23:00 on a Wednesday.

- Overtime Application:
  - Should the employee be required to perform work outside his/her normal working hours on any day other than a Sunday or Public Holiday, he/she will be paid an extra (1) hour at his/her normal hourly rate for every hour worked.
  - Still, not one and a half times (x1.5) his/her normal hourly rate as he/she earns above the earnings threshold and as stated above the regulations relating to overtime payment do not apply.

- Overtime Hours calculated:
  - Three (3) hours worked.

- Overtime Rand Value calculated:
  - R100.00 x 3 hours = R300.00 additional to his/her basic monthly salary.
  - Indicated on a separate line on the payslip.

4.2.2. SCENARIO 2 (Overtime x1)

The employee is called to perform work on a Saturday from 08:00 – 13:00.

- Overtime Application:
  - Should the employee be required to perform work on a Saturday which does not form part of his/her normal workdays, he/she will be paid an extra (1) hour at his/her normal hourly rate for every hour worked.
  - Still, not one and a half times (x1.5) his/her normal hourly rate as he/she earns above the earnings threshold and as stated above the regulations relating to overtime payment do not apply.

- Overtime Hours Calculated:
  - Five (5) hours worked.

- Overtime Rand Value calculated:
  - R100.00 x 5 hours = R500.00 additional to his/her basic monthly salary.
  - Indicated on a separate line on the payslip.

4.2.3. SCENARIO 3 (Overtime x1.5)

The employee is called to perform work on a Saturday which is also a Public Holiday. The work takes five (5) hours to complete from 08:00 – 13:00.

- Overtime Application:
  - Because this is not one of his/her normal working days and not a normal Saturday, the employee will be paid one and a half times (x1.5) his/her normal hourly rate.

- Overtime Hours calculated:
  - The work takes five (5) hours to complete.

- Overtime Rand Value calculated:
  - R100.00 x 1.5 = R150.00.
  - 5 hours x R150.00 = R750.00, paid in addition to his/her basic monthly salary for the 5 hours he/she worked on the Public Holiday Saturday.
  - Indicated on a separate line on the payslip.

4.2.4. SCENARIO 4 (Overtime x1.5)

The employee is called to perform work on a Sunday. The work takes five (5) hours to complete from 08:00 – 13:00.

- Overtime Application
  - Because this is not one of his/her normal working days and because it is a Sunday, the employee will be paid one and a half times (x1.5) his/her normal hourly rate.

- Overtime Hours calculated:
  - The work takes five (5) hours to complete.

- Overtime Rand Value calculated:
  - R100.00 x 1.5 = R150.00.
  - 5 hours x R150.00 = R750.00 additional to his/her basic monthly salary.
  - Indicated on a separate line on the payslip.

4.2.5. SCENARIO 5 (Overtime x0.5)

The employee must work from 07:00 – 16:30 on a Wednesday, which is a Public Holiday.

- Overtime Application:
  - Should the employee be required to perform work on a Public Holiday, which forms part of his normal workdays (i.e. Monday – Friday), he will be paid one and a half times (x1.5) his/her normal hourly rate for every hour worked.
  - What is important to note is that the normal hours for that workday are already included in his/her basic salary; therefore, he/she is already paid (x1) for the day, and an additional (x0.5) is still owed.

- Overtime Hours Calculated:
  - Nine (9) hours (x1) are included in his/her normal one hundred and ninety-five (195) hours per month (as it is a normal workday) and forms part of his basic monthly salary.
  - Nine (9) hours worked on the Public Holiday will be paid in addition to his/her normal daily income at half (x0.50) times his/her normal hourly rate (this makes the payment of nine (9) hours one and a half times (x1.5) of the Public Holiday hours.

- Overtime Rand Value calculated:
  - 9 hours x R100.00 (already included in basic monthly salary) = R900.00
  - R100.00 p/hour x 0.50 = R50.00
  - 9 hours worked x R50.00 = R450.00.
  - Indicated on a separate line on the payslip.
  - R900.00 + R450.00 = R1 350.00 paid for the Public Holiday work
  - Alternatively, 9 hours x 1.5 = 13.5 hours that the employee needs to be paid for the Public Holiday.
  - 13.5 hours x R100.00 p/hour = R1 350.00 for the day.

4.2.6. SCENARIO 6 (Overtime x0.5)

The employee is called to perform work from 20:00 – 23:00 on a Thursday, which is a Public Holiday.

- Overtime Application:
  - Should the employee be required to work on a Public Holiday, which is part of his/her normal workdays, but the work is done outside the normal hours from 08:00 – 17:00, he/she will be paid half (x0.50) his/her normal hourly rate additional to his/her basic salary.

- Overtime Hours calculated:
    - Eight (8) hours (x1) is included in his/her normal one hundred and ninety-five (195) hours per month (as it is a normal workday) and forms part of his/her basic monthly salary.
    - Three (3) hours worked on the Public Holiday will be paid in addition to his/her normal daily income at half (x0.50) times his/her normal hourly rate (this makes the payment of the three (3) hours one and a half times (x1.5) of his/her normal hourly income for the day.

- Overtime Rand Value calculated:
    - 8 hours x R100.00 (already included in basic monthly salary and paid for the day) = R800.00
    - R100.00 p/hour x 0.50 = R50.00
    - 3 hours worked x R50.00 = R150.00.
    - Indicated on a separate line on the payslip.
    - R800.00 + R150.00 = R950.00 paid for the Public Holiday work.

4.3. MARKETING, FINANCE, HR, SALES, AND SUPPLY CHAIN EMPLOYEES EARNING ABOVE THE THRESHOLD.

The practice is that should employees earning above the overtime threshold work overtime due to too little time to complete deadlines during normal work hours, employees in these Departments can take time off on a case-by-case basis if arranged and approved by the discretion of their Managers.

4.4. QUERIES

Please contact your HR Representative if you have questions or need assistance understanding overtime calculations.