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Better
Every Day

OVERTIME POLICY

Montego
—Pet Nutrition—

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1. PURPOSE

This Policy provides information regarding overtime practice within Montego Pet Nutrition to enable a streamlined and correct process, including overtime worked by employees earning below and above the earnings threshold.

2. SCOPE

This Policy applies to all Montego Pet Nutrition employees.

3. OVERTIME PRINCIPLES

- Montego Pet Nutrition must regulate the working time of each employee by the provisions of the *Basic Conditions of Employment Act (BCEA)* or any Act governing *Occupational Health and Safety (OHS)*. This includes the *Code of Good Practice on the Regulation of Working Time*, issued under *Section 87(1)(a) of the Labour Relations Act*.
- Montego Pet Nutrition is committed to complying with the *Basic Conditions of Employment Act (BCEA)*, hence the need for a written Policy on Overtime.
- As per the *Contract of Employment* and based on Montego Pet Nutrition's operational requirements, employees are required to work as scheduled, which will include Saturdays, Sundays, and/or Public Holidays.
- It may become necessary for Montego Pet Nutrition to require an employee or employees to work overtime hours which exceed their regular hours of work on a specific day or in a particular week, to complete work by a deadline, or to compensate for a temporary reduction in personnel, or other operational reasons.
- In such cases, the following will be applicable:
 - It is the responsibility of a Manager / Supervisor to plan and schedule the work of employees so that it can be performed within the regularly scheduled hours and that overtime will occur only when necessary.
 - All overtime work must be authorised and strictly controlled by the applicable Head of Department (HOD).
 - Where possible, employees should be provided with reasonable advance notice by their Manager / Supervisor of the need for such additional work. Such additional hours should be assigned and distributed among all eligible employees.
 - Montego Pet Nutrition prescribes that the safety of employees must be considered if they are working after regular working hours, and an employee may not work alone in hazardous areas or remote locations.

4. BELOW-THRESHOLD EMPLOYEES

Section 6 of the Basic Conditions of Employment Act makes provisions for the exclusion of employees earning above a certain amount per year from sections of Chapter 2 of the Act, which regulates the working hours of employees.

Employees earning below the threshold amount published by the Minister of Labour on the advice of the Commission have the full protection of every section of the *Basic Conditions of Employment Act (BCEA)* or, in the case of Security personnel, 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*.

4.1 Payment Rates

- Overtime worked will be compensated with appropriate time off or, at the discretion of Management, may be remunerated at the applicable rate (*Annexure B*).
- Where overtime is to be remunerated, Montego Pet Nutrition shall pay an employee who works overtime at a rate of not less than one and a half (1.5x) times the employee's hourly equivalent wage in respect of the total overtime period so worked by such employee.
- An employee may not claim overtime for the first fifteen (15) minutes after the completion of a shift, as the employer reasonably expects the employee during this time to finalise the performance of duties on the completion of the normal shift.

4.2 Pay for work on Public Holidays / Sundays

- Montego Pet Nutrition shall pay employees earning below the threshold double (2x) their basic salary for work performed on a Public Holiday or Sunday.
- Security Officers will be paid one and a half (1.5x) times the employee's salary for each hour worked on a Sunday and double (2x) the employee's salary for each hour worked on a Public Holiday.
- If the time worked by a below-threshold employee falls on a Public Holiday / Sunday and another day, the whole period worked shall be deemed to have been worked on the Public Holiday / Sunday, but if the more significant portion of the shift was worked on the other day, the whole shift shall be deemed to have been worked on the other day.

4.3 Items of Occurrences Excluded from Overtime Claims

Certain occurrences or items are excluded from overtime claims, namely:

- Claims for lunch periods which have been utilised for work purposes. In such instances, lunch may be deferred based upon operational requirements, but every employee is required to undertake a lunch period to rest and nourish themselves during the normal workday and
- Periods of travel are excluded from claims for overtime.

4.4 Control Measures for Remunerated Overtime

Responsible Managers must ensure that:

- All overtime duty records are kept on the Company *Biometric Timekeeping System*.
- The *Overtime Register* must be duly signed by the employee performing the approved overtime work and controlled by the Manager / Supervisor in charge.
- There is adequate control of remunerated overtime duty, either through supervision or by control of outputs.
- Overtime remuneration is cost-effective.
- Employees are not employed on overtime duty to such an extent that the quality and quantity of work (productivity) performed during normal hours of attendance as well as during periods of overtime duty are adversely affected; and
- All overtime, as far as possible, be performed at the employee's normal place of work.

5. ABOVE-THRESHOLD EMPLOYEES

Section 6 of the Basic Conditions of Employment Act provides 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.

The annual earnings threshold referred to in the *Gazette* is defined as an employee's regular annual 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 earning above the earnings threshold will not be remunerated for hours worked more than their nine (9) hours per day or forty-five (45) hours per week and hours worked on a Sunday or Public Holiday. Under special circumstances where the employee is required to work overtime, that employee's Head of Department (HOD) may approve payment at the employee's normal hourly rate.

From time to time, a Manager or supervisor may require an employee or employees to work overtime hours in a week to complete work by a deadline, compensate for a temporary reduction in employees, or for other operational reasons. In such cases, overtime worked will be compensated through time off equal to the amount of overtime and must be arranged with and approved by HODs on an ad hoc basis.

5.1 Safety Considerations

Montego Pet Nutrition prescribes that the safety of above-threshold employees must be considered if they are working after normal working hours, and an employee may not work alone in hazardous areas.

5.2 Payment Rates

Note that employees earning above the threshold will not be compensated in monetary terms but may arrange to take time off (or, as may be, the arrangement agreed upon within the specific department).

5.3 Items or Occurrences Excluded from Overtime Claims

Certain occurrences or items are excluded from overtime claims, namely:

- Claims for lunch periods which have been utilised for work purposes. In such instances, lunch may be deferred based upon operational requirements, but every employee is required to undertake a lunch period to rest and nourish themselves during the normal workday and
- Periods of travel are excluded from claims for overtime.

5.4 Time Off Equal to Overtime Duty

- Each above-threshold employee who worked authorised overtime should keep a record of the amount of time spent working overtime and report these hours to their Manager / Supervisor.
- The relevant responsible Manager / Supervisor must acknowledge receipt of the overtime breakdown in the form of a response e-mail.
- Time off, equal to overtime worked, must be approved by the Head of Department.

5.5 Claims for Paid Overtime Duty

Please refer to *Annexure B* for detailed information regarding the negotiated departmental overtime arrangements.

- Each employee who worked authorised overtime should complete an *Overtime Claim Form (Annexure A)*.
- The relevant responsible HOD must sign the *Overtime Claim Form*.
- The *Overtime Claim Form* must be authorised by the Department head, who then sends it to either the Payroll Officer or the Group Financial Accountant.
- Payment will be processed through the Payroll Programme and paid into the employee's bank account.

6. QUERIES

All queries must be addressed to the Human Resources Manager.

ANNEXURE A – Overtime Claim Form

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ANNEXURE B – Overtime Departmental Schedule



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	R800.00 per week	Fixed R800.00 per week	NONE
Limits			Normal overtime of more than 40 hours is time off. Only 40 hours are payable.	

