Basic Guide to Deductions (Farm Workers)

Employers may only deduct money from a worker's pay if the worker agrees or if they are required to do so.

Application

Sectoral Determination 13: Farm Worker Sector applies to all workers on a farm including -

- domestic workers, and
- security guards.

The sectoral determination does not apply to workers covered by -

- another sectoral determination; or
- a bargaining council agreement.

The Basic Conditions of Employment Act applies in respect of any matter not covered by this sectoral determination.

Conditions for Deductions

Employers may not deduct for -

- training;
- tools and equipment;
- work clothing; or
- fines.

Employers may deduct money from a worker's pay only if:

- the worker agrees in writing to the deduction of a debt;
- the deduction is made in terms of a collective agreement, law (e.g. UIF contributions), court order or arbitration award; or
- the employer overpaid the worker by mistake.

Employers may deduct no more than 10% of a worker's wage for each of the following:

- accommodation (subject to certain conditions);
- food;
- loans and advances;
- amounts paid to a third party:
  - holiday;
  - medical aid;
  - insurance;
  - savings;
  - pension fund;
  - any registered trade union in respect of subscriptions;
  - repayments of loans granted for a dwelling and accommodation to -
    - any bank;
    - building society;
    - insurance business;
    - registered financing institution;
    - local authority.

Conditions for Deductions for Accommodation

Employers may only make deductions for accommodation if:

- the worker is at least 18 years old;
- water, electricity and other services are not also deducted;
- the amount deducted is not more than the cost to the employer;
  - the house has
    - a roof that is durable and waterproof;
    - glass windows that can be opened;
    - electricity available inside the house (if the infrastructure exists on the farm);
    - water available inside the house (or within 100m from the house);
    - a flush toilet or pit latrine available in, or in close to, it; and
    - a size of not less than 30m².

Where 2 or more workers share accommodation, employers may only deduct a total of 25% of the relevant minimum wage from all workers combined. Equal amounts must be deducted from each worker.

Deductions for Damage or Loss

Deductions for damage or loss caused by the worker may only be made if
the employer has followed a fair procedure and given the worker a chance to show why the deduction should not be made,
- the worker agrees in writing, and
- the total deduction is not more than 25% of the worker's net pay.

Based on Legislation in Section 34, of the Basic Conditions of Employment Act

Deductions for Benefit Funds

Employers must pay deductions and employer contributions to benefit funds (pension, provident, retirement, medical aid, etc.) to the fund within 7 days.

Based on Legislation in Section 34, of the Basic Conditions of Employment Act

Related Links

- Basic Guide to Pay Slips (Farm Workers)
  Sectoral Determination 13: stipulates that employers must give farm workers certain details each time they are paid.

- Basic Guide to UIF Contributions
  Employers must pay UIF contributions of 2% of the value of each worker's pay per month. The employer and the worker contribute 1% each.

- Form BCEAv - Pay Slip
  Employers must give their workers pay slips so they can keep record of their pay details.