

Understanding employment contracts

 By [Madelein van der Watt](#)

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The Basic Conditions of Employment Act states that employers must give all employees a document containing information about the conditions of their employment; this applies to full-time, contractors or temporary workers. This document can be something as simple as a one-page letter or a formal document that outlines these terms and conditions in extensive detail.

From the employee's perspective, a contract helps them understand what is expected of them at work in terms of responsibilities and what they can expect in terms of working conditions. It also gives them clarity about remuneration and benefits. A lack of a contract could lead to disputes and misunderstandings further down the line.

Contract information

- Details for employer and employee: full name, address, employee's occupation or tasks
- Employment details: dates, places of work and working hours
- Payment details: monthly salary or the rate and method of calculating wages, rate for overtime, allowances and benefits, bonuses, deductions and frequency of payments
- Leave the worker is entitled to
- Notice period
- If the employee is a contractor, the period of the contract

Get it in writing

Ask the employer to sign the document and sign it as the employee. Insist that the contract needs to be changed if the terms of employment change - for example, if the boss has verbally agreed that the employee can start working flexible hours, or if the benefits or working conditions change.

Contract work

Remember that employers may no longer treat fixed-term contracts as casually as they did in the past. If the employee's contract for a fixed period (say, three months) is up, the employer must extend it with a new one. If he or she fails to do so, the employee is within his or her rights to insist on being appointed in a permanent position. The employer's lack of action may be interpreted under South African law as an intention to make the person a permanent employee.

Employee rights

The Basic Conditions of Employment Act sets out certain rights to which every employee in South Africa is entitled - for example, it governs leave, sick leave, working hours, and overtime. An employee cannot sign away any of these rights in the employment contract - if it sets conditions which are less favourable than prescribed by the Act, it will be considered invalid. Employees should familiarise themselves with this law.

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