

From the Team

April 2023

South Africa – New/Corrected OID Earnings Threshold

The Director General of Employment and Labour published [Government Gazette 48065 \(Notice 1617\)](#) on 17 February 2023 increasing the OID earnings threshold to R563 520 per annum effective 1 March 2023.

However, on 10 March 2023, the Minister of Employment and Labour published [Government Gazette 48187](#), increasing the OID earnings threshold to R568 959 per annum effective 1 March 2023.

The PAGSA (Payroll Authors Group of South Africa) has been in discussion with the Compensation Fund and the Department of Employment and Labour to determine which limit is the correct limit and must be applied by employers.

They have now confirmed that the OID earnings threshold published in Government Gazette 48187 is the correct limit and should be used.

Therefore, the OID earnings threshold for 2023/2024 is R568 959 effective 1 March 2023.

Paymaster Impact

- The above change has been implemented on the system effective 1 March 2023.
- Users are advised to recalculate April.
- The old limit has been applied in March, therefore, the April calculation will correct March retrospectively.
- If an employee was terminated in March, the user is advised to create a payslip in order for the retrospective calculation to take place.
- If the March run is opened and recalculated, then the new limit will be applied.