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FREE GUIDE · EMPLOYMENT & HR COMPLIANCE

What must a South African employment contract include?

In South Africa, section 29 of the Basic Conditions of Employment Act (BCEA) requires every employer to give a new employee written particulars of employment on the day they start. The list covers 16 items, from your business's name and address to pay, hours, leave and notice. A written employment contract is the simplest way to meet that duty, and it can never give an employee less than the BCEA allows.

REVIEWED BY THE ELS TEAM

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Published 15 September 2026 · South Africa

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AT A GLANCE

- Section 29 of the BCEA requires written particulars on the employee's **first day**.
- There are **16 required items**. Employers with fewer than five employees can leave out three.
- A contract can give **more** than the BCEA minimums, never less.
- Keep the particulars for **three years** after the employment ends.

Do you legally need a written employment contract?

An employment relationship can exist without a signed contract. A verbal agreement, or simply showing up to work and being paid, can be enough. What the law does require is that you put the key terms **in writing when employment starts**.

Under section 29 of the BCEA, you must:

- **Give the written particulars on day one,** not after probation or "once things settle".
- **Update them when terms change,** for example after a raise or a change in hours, and give the employee a copy of the revised version.
- **Explain them** in a language and manner the employee understands, if they can't understand the written version.
- **Keep them for three years** after the employment ends.

Two exceptions. The duty doesn't cover employees who work less than 24 hours a month for you. And if you employ fewer than five people, three of the 16 items (marked below) don't apply to you.

The section 29 checklist: 16 things your contract must state

1. Your business's full name and address.
2. The employee's name and occupation, or a short description of the work.
3. The place of work, and if the employee works in different places, a statement saying so.
4. The date employment started.
5. Ordinary hours and days of work.
6. The wage, or the rate and method used to calculate it.
7. The overtime rate.
8. Any other cash payments the employee is entitled to (allowances, commission, bonuses that are part of the deal).
9. Any payment in kind, and its value (for example, accommodation or meals).
10. How often you pay (weekly, fortnightly, monthly).

11 Any deductions from pay.

12 Leave entitlement.

13 The notice period, or for a fixed-term contract, the date it ends.

14 Any bargaining council or sectoral determination that covers your business. *Not required if you employ fewer than five people.*

15 Any period of employment with a previous employer that counts towards service. *Not required if you employ fewer than five people.*

16 A list of any other documents that form part of the contract (such as a disciplinary code or company policies), and where the employee can get copies. *Not required if you employ fewer than five people.*

These particulars can sit in a contract, an appointment letter or a separate written notice. In practice, a proper contract is easier to manage, because it holds the particulars and everything else you agreed in one place.

What your contract can't do: the BCEA floor

A contract can give employees more than the BCEA, never less. Under sections 4 and 5 of the BCEA, the Act's basic conditions apply automatically unless the contract is more favourable, and the Act overrides any agreement that falls below it. A clause that says "10 days' annual leave" doesn't bind the employee to 10 days.

TOPIC	BCEA MINIMUM
Ordinary hours	Up to 45 hours a week; up to 9 hours a day if working 5 days a week or fewer, 8 hours if more
Overtime	Only by agreement; max 10 hours a week; paid at 1.5 times the normal wage (or agreed paid time off)
Annual leave	21 consecutive days per cycle, or by agreement 1 day per 17 days worked
Sick leave	6 weeks' paid sick leave per 36-month cycle; 1 day per 26 days worked in the first 6 months
Family responsibility leave	3 paid days a year for qualifying employees
Notice	1 week (up to 6 months' service), 2 weeks (6 months to 1 year), 4 weeks (1 year or more)
Minimum wage	R30.23 per ordinary hour from 1 March 2026

One more number matters: the **earnings threshold**. From 1 May 2026 it's R269,600.90 a year. Employees who earn above it aren't covered by the BCEA's rules on hours, overtime, meal breaks and rest periods, so their contracts can deal with those terms more flexibly. Everything else in the BCEA still applies to them.

> **Check the figures every year.** The minimum wage and the earnings threshold change every year, so check the current figures before you sign a new contract.

What a good contract adds beyond the minimum

Section 29 sets the floor. A contract that actually protects your business usually also covers:

- **Probation:** how long it lasts and how performance will be assessed.
- **Job description and duties,** so expectations are clear from the start.
- **Confidentiality,** because South African law doesn't automatically protect your business information once someone leaves.
- **Intellectual property:** confirming that work the employee creates for you belongs to the business.
- **Restraint of trade,** but only where you have a genuine interest to protect, such as client relationships or trade secrets. Courts won't enforce restraints that are wider than necessary.
- **Policies and procedures:** your disciplinary code, leave procedure and IT or social media rules, referred to in the contract.
- **POPIA:** how you'll handle the employee's personal information.
- **Termination:** notice, final pay and the return of company property.

Five common employment contract mistakes

1. **Using a foreign template.** A UK or US contract won't include the section 29 particulars and often contains terms (like "at-will" dismissal) that have no effect in South Africa.
2. **Writing in terms below the BCEA.** Shorter notice or less leave than the minimum doesn't apply, and it signals that the rest of the contract may be unreliable.
3. **Never updating it.** A raise, new hours or a new role means the particulars must be revised.
4. **Having nothing in writing.** Without written particulars, it's hard to prove what was agreed, for example that a contract was for a fixed term or that the employee agreed to overtime.
5. **Calling an employee a contractor.** The label on the document doesn't decide the relationship. If someone works under your control and depends on you for income, they may be an employee anyway. Read how the CCMA and SARS decide.

Frequently asked questions

Does an employment contract have to be signed to be valid?

No. An employment relationship can exist without a signature. But a signed contract is your best evidence of what was agreed if a dispute ever reaches the CCMA.

Do part-time employees need written particulars?

Yes, if they work 24 hours or more a month for you. The same 16 items apply.

Can the contract be in English only?

Yes, but if the employee can't understand it, you must make sure it's explained to them in a language and manner they understand.

What if I've never given my employees written particulars?

Give them now, using the checklist above. A labour inspector can require you to comply, and the longer the gap, the harder it becomes to prove what you agreed.

Get a BCEA-compliant employment contract

The ELS **Employment Agreement** is attorney-drafted for South African law and covers every section 29 particular, plus probation, confidentiality and IP. Hiring for the first time? The **Employer Starter Pack** adds the two POPIA documents every employer needs.

SEE THE EMPLOYMENT AGREEMENT

TAKE THE FREE LEGAL HEALTH CHECK

INFORMATION, NOT ADVICE

ELS provides legal information, not legal advice. Nothing in this guide creates an attorney-client relationship. For advice on your specific situation, consult a qualified attorney. The law is stated as at 15 September 2026.

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