

Introduction

Employment Equity is governed primarily by the Employment Equity Act of 1998. The purpose of the Act is to achieve equity in the workplace through promoting equal opportunity and implementing affirmative action.

Organisations need to eliminate unfair discrimination and redress past disadvantages of designated groups to ensure they are represented across diverse occupational levels in the workplace.

In 2004 we instituted an Employment Equity desk to assist our clients with their EEA compliance. We make it our business to keep abreast of all changes and developments within the Department of Employment and Labour Equity framework.

Our Services

Given the importance of legislation and the complexity of compliance, Siyaya Consulting acts as your trusted partner to help you achieve equity, ensure diversity, and promote fair and sustainable Human Resource processes. We:

- Offer a complete service backed by a team of industry experts who stay ahead of, and understand changes and developments within the Department of Employment and Labour frameworks.
- Identify and analyse your current level of EE conformity.
- Gather relevant information on your profiles, job titles and occupational levels to assist you with your EE plans.
- Submit annual EE reports to the Department of Employment and Labour
- Guide and support you with inspections.

Consulting Solutions

Employment Equity Solutions

COMPLIANCE DONE RIGHT

Who is Affected?

Employers that employ more than 50 employees or have a total annual turnover that is equal to or above the applicable annual turnover threshold, are deemed designated employers and must comply with Chapter III of the EE Act.

Duties of designated employers include:

- Consult with their employees
- Conduct an analysis
- Prepare an employment equity plan
- Report to the Director-General on progress made with implementing the employment equity plan

EE Plan Formulation

An employer must appoint an Employment Equity Manager who begins a consultative process with employees and representative trade unions. An Employment Equity Committee representative of race, gender and occupational levels is formed. The committee analyses employment policies and practices, outlines barriers, and develops a demographic profile of the organisations' workforce.

The committee then creates policies and an EE Plan on how the organisation will achieve representative diversity at all occupational levels.



EE Plan Stipulations

- Objectives for each year of the plan
- Qualitative analysis indicating barriers as well as affirmative action measures
- Duration of the plan (not more than 5 years or less than 1 year)
- Procedures to monitor and evaluate the plan
- Internal procedures to resolve any dispute about implementation
- Persons responsible for monitoring the EE plan
- Responsibilities of each stakeholder to monitor and evaluate the implementation of the EE Plan
- Quantitative analyses that indicate over and/or under representation of various groups at each occupational level
- Numerical targets for each year of the EE plan



EE Reports Inclusions

The EE Reports must be submitted annually to the Department of Employment and Labour on 1 October (manual submission) or by 15 January (online submission).

The submission must include an EEA2 and an EEA4 report that indicates an employer's progress regarding overall representation and the income differentials by occupational levels, race and gender.

Applicable Turn-Over Threshold for Designated Employers

Sectors: Standard Industrial Classification

Turnover

Agriculture	R 6 M
Catering, Accommodation	R 15 M
Community, Special & Personal Services	R 15 M
Construction	R 15 M
Electricity, Gas & Water	R 30 M
Finance & Business Services	R 30 M
Manufacturing	R 30 M
Mining & Quarrying	R 22,5 M
Retail & Motor Trade & Repair Service	R 45 M
Transport, Storage & Communications	R 30 M
Wholesale Trade, Commercial Agents & Allied Trades	R 75 M



Business Non-Compliance

If an employer fails to comply with a request/recommendation made by the Director-General, the Director-General may refer the matter to the Labour Court.

If a company has been found guilty of contravening the Employment Equity Act (No. 55 of 1998), maximum fines may be imposed in line with the table below:

Previous Contravention	Contravention of any provision of Section 16 (read with 17), 19, 22, 24, 25, 26 & 43	Contravention of any provision of Section 20, 21, 23 & 44 (b)
No previous contravention	R 1.5 M	The greater of R 1.5 M or 2% of the employers turnover
A previous contravention in respect of the same provision	R 1.8 M	The greater of R 1.8 M or 4% of the employers turnover
A previous contravention within previous 12 months or two previous contraventions in respect of the same provision within 3 years	R 2.1 M	The greater of R 2.1 M or 6% of the employers turnover
Three previous contraventions in respect to the same provision within 3 years	R 2.4 M	The greater of R 2.4 M or 8% of the employers turnover
Four previous contraventions in respect of the same provision within 3 years	R 2.7 M	The greater of R 2.7 M or 10% of the employers turnover



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