

Employment Equity Amendment Act, 4 of 2022

The Department of Employment & Labour held its annual roadshow in Bloemfontein on Wednesday, 23 Aug 2023. During the roadshow feedback was provided regarding the way forward with particular focus on the EE Amendment Act.

Important aspects discussed during the roadshow:

- Promulgation of the EE Amendment Act <u>has not taken place as yet</u>, hence there is no commencement date set by the President, and the <u>current Act is still in full force</u>. This means that the turnover thresholds and all other sections pertaining to the EE Act 55 of 1998 and the EE Amendment Act 47 of 2013 are applicable.
- No company needs to de-register after the Amendment Act, 4 of 2022 has commenced, and all companies would need an EE Ref number to obtain their EE Compliance Certificate as per Section 53 of the EE Amendment Act.
- EE Sectoral Goals (5- year period) are set by the Minister, but each employer will need to set their own annual targets and report on them on an annual basis.
- Justifiable reasons for not meeting targets include (employer must be able to prove these reasons during an inspection):
 - o Insufficient recruitment opportunities
 - o Insufficient promotion opportunities
 - o Insufficient target individuals from designated groups with relevant qualifications, skills, and experience
 - CCMA / Court order
 - Transfer / Merger
 - Economic Circumstances (e.g., loadshedding, Covid-19)
- EE Sector Targets will not add up to 100% as this is only a target and the EAP stats must still be taken into consideration when setting up an employer's individual annual targets.
- New EE documents will be drafted and distributed to employers and will also be available on the Department of Employment and Labour website.
- The EE Online Reporting system will be newly developed and will also include changes. These changes will be communicated on the Department of Employment and Labour website and further information will follow in due time.
- EE Compliance Certificate (Sec 53) all companies need to prove their compliance with EE and will be able to obtain their certificate from the EE Online Reporting System.
 - Non-designated employers, according to the EE Amendment Act (<50 employees) will be able to obtain their certificate at any time during the course of the year.
 - Designated employers, according to the EE Amendment Act (>50 employees) will only be able to obtain their certificate during reporting season (01 Sept 15 Jan the following year).
 - This is only applicable once the commencement date has been communicated and confirmed by the President.

Employment Equity Submissions 2023

- The EE Submissions for the 2023 reporting period will remain unchanged from last year's reporting.
- The same EE Online reporting system will be used and can be accessed on the Department of Employment and Labour website.

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• Annual thresholds are still in full force for employers less than 50 employees (table as per Schedule 4 below)

Sector	Annual Turnover Threshold
Agriculture	R6 mil
Mining & Quarring	R22.5 mil
Manufacturing	R30 mil
Electricity, Gas & Water	R30 mil
Construction	R15 mil
Retail & Motor Trade and Repair Services	R45 mil
Wholesale Trade, Commercial Agents, and Allied Services	R75 mil
Catering, Accommodation & other Trade	R15 mil
Transport, Storage & Communication	R30 mil
Finance & Business Services	R30 mil
Community, Special & Personal Services	R15 mil

- The EE Online Reporting period will open on the 1st of Sept 2023 and close on the 15th of January 2024 (for all online reporting).
- If an employer is not able to submit, or no longer needs to comply with EE as per current EE legislation, the EEA14 document must be filled in and posted to the address as per the document in order to inform the Director General of the reasons for not reporting. The period for informing the Director General closes on the 31st of August 2023.

HCAS Reporting Procedure

- EE Reporting email to be sent on Friday, 01 Sept 2023 with all relevant information pertaining to the submissions.
- Excel spreadsheet must be populated by each client as per the specifications listed on the document.
- All information to be submitted to HCAS on/before Monday, 09 Oct 2023.
- HCAS to evaluate information and request additional documents if any uncertainty arises.
- 4th quarter meetings to be scheduled between Oct Nov 2023 to discuss the EE Reports with the committee.
- All reports to be submitted before the 30th of Nov 2023 and proof of reporting to be sent to HCAS for filing purposes.

Any uncertainty with regards to the EE Online reporting or the EE Amendment Act can be directed to me and I will gladly assist with any queries.

Kindest Regards

J Schimper 072 486 8213

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