



An introduction to Employment Equity

by Paul Kruger

There is an old proverb which says: "What's sauce for the goose is sauce for the gander" - if something is good or acceptable for one person, it is therefore also good or acceptable for another (Macmillan dictionary).

This is exactly what Employment Equity is about; to ensure fair treatment of all who work for you, without prejudice based on race, gender, or any of the other listed bases of discrimination.

Employment Equity is one of those topics many people prefer to ignore in the hope that it will go away. Unfortunately, sticking your head in the sand, makes your backside very accessible for a hiding.

The reporting window for Employment Equity returns opens on 1 September and the deadline is 15 January next year. Collating the required information and processing all the data for online submission is a cumbersome task. Even though you may not be required to submit such a return, some of your clients may very well be.

We hope to provide clarity on this very important matter in a series of articles over the next three weeks.

Who needs to comply?

The Employment Equity Act, Act 55 of 1998, was established to address unfair discrimination and ensure equality in the workplace.

The purpose of the EE Act is to *"achieve equity in the workplace, by*

- a) promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and*
- b) implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and levels in the workforce."*

In other words, the aim of the Act is to regulate how people within an organisation are managed in terms of their skills, roles and remuneration in a fair and non-discriminatory manner. An organisation's processes around recruitment and advancement within the business also need to be managed with the Act in mind.

Therefore, while an organisation aims to meet its strategic objectives, they are also driven by EE Act compliance. It is thus critical for organisations to align their compliance requirements with the overall business strategy and objectives.

Organisations that employ more than 50 employees and organisations with less than 50 employees with an annual turnover exceeding the prescribed threshold, must draft and submit Employment Equity reports to the Department of Employment and Labour.

Turnover Thresholds

Sector or Sub-Sector in accordance with the Standard Industrial Classification	Total Annual Turnover
Agriculture	R6 million
Mining and quarrying	R22.5 million
Manufacturing	R30 million
Electricity, gas and water	R30 million
Construction	R15 million
Retail and motor trade and repair services	R45 million
Wholesale trade, commercial agents and allied services	R75 million
Catering, accommodation and other trades	R15 million
Transport, storage and communications	R30 million
Finance and business services	R30 million
Community, special and personal services	R15 million

We have created a division within Moonstone to assist you and your clients on the road to EE compliance.

Moonstone Workforce Solutions can assist by:

- Conducting a complete demographic analysis of the organisation's workforce
- Determining and identifying under-representation of specific groups
- Establishing and consulting with the organisation's EE Committee
- Developing an Employment Equity Policy
- Developing a one-to-five-year EE Plan based on the analysis
- Completion and submission of an annual EE Report to the Department of Employment and Labour

For more information, please send us an [email](#), or visit our [Workforce Solutions](#) website.