

EMPLOYMENT EQUITY REPORT DEADLINE LOOMING

All designated employers must, in terms of Section 21 of the Employment Equity Act, No 55 of 1998 (“the Act”), submit their annual employment equity report by 1 October 2020. The electronic submission of the employment equity report is open until 15 January 2021.

An employer falls under this Act if they meet the definition of a “designated employer”.

A designated employer is defined as:

- an employer who employs 50 or more people,
- an employer who employs less than 50 people but has a total annual turnover that is equal to or above the applicable turnover of a small business in terms of Schedule 4 of the Act, namely:

Sector or subsectors in accordance with the Standard Industrial Classification	Total annual turnover
Agriculture	R6m
Mining and Quarrying	R22.5m
Manufacturing	R30m
Electricity, Gas and Water	R30m
Construction	R15m
Retail and Motor Trade and Repair Services	R45m
Wholesale Trade, Commercial Agents and Allied Services	R75m
Catering, Accommodation and other Trade	R15m
Transport, Storage and Communications	R30m
Finance and Business services	R30m
Community, Social and Personal Services	R15m

- a municipality, as referred to in Chapter 7 of the Constitution,
- an organ of state as defined in section 239 of the Constitution but excluding:
 - local spheres of government;
 - National Defence Force;
 - National Intelligence Agency;

- South African Secret Service; and
- an employer bound by a collective agreement in terms of section 23 or 31 of the Labour Relations Act.

Designated employers must submit their report on a yearly basis on the first working day of October. An employer that becomes a designated employer on or after the first working day of April but before the first working day of October must only submit its first report in the first working day of the October in the following year.

This report must be signed by the chief executive officer. Public companies have to include the report in their annual financial report (Section 22).

Please note that fines for non-compliance start at R1 500 000 and increases if this is not your first contravention of the specific sections in the legislation.

Maximum permissible fines that may be imposed for contravening the Act as per Schedule 1 of the Act:

Previous contravention	Contravention of any provision of sections 16 (read with 17) 19, 22, 24, 25, 26 and 43 (2)	Contravention of any provision of sections 20, 21, 23 and 44(b)
No previous contravention	R1 500 000	The greater of R 1500 000 or 2% of the employer's turnover
A previous contravention in respect of the same provision	R1 800 000	The greater of R 1800 000 or 4% of the employer's turnover
A previous contravention within the previous 12 months or two previous contraventions in respect of the same provision within three years	R2 100 000	The greater of R2 100 000 or 6% of the employer's turnover
Three previous contraventions in respect of the same provision within three years	R2 400 000	The greater of R2 400 000 or 8% of the employer's turnover
Four previous contraventions in respect of the same provision within three years	R2 700 000	The greater of R2 700 000 or 10% of the employer's turnover