

2020 EE Report submissions open

Employment Equity (EE) report submissions are now open and will run from 1 September 2019 to 15 January 2020. Failure to comply will see fines ranging from 2 - 10% of a company's turnover.



Nthabiseng Phoshoko, LFP Group's commercial director

This mandatory submission is relevant to all companies with a headcount of 50 employees or more and to those with an annual turnover above the required threshold (varies per industry).

LFP Group's commercial director, Nthabiseng Phoshoko says that the EE report is in accordance with Section 21 of the EE Act. "It reflects a company's progress in achieving transformation by empowering its workforce,"

The purpose of the Employment Equity Act, No. 55 of 1998 is to achieve reasonable progress towards employment equity in the workplace. "Known as 'indirect empowerment', EE provides equal opportunities and ensures an inclusive and wholly represented workforce. It forms a critical part of your B-BBEE scorecard as it places focus on previously disadvantaged citizens and eradicates discrimination at all levels," Nthabi explains.

EE forms part of Management Control on the B-BBEE scorecard which accounts for 17% or 19 points of the scorecard. "Government has been clear on its mandate for transformation and the implementation of an EE strategy is a long-term

commitment by the private sector to transformation.”

The EE Act aligns the private sector to the public sector. “It’s a reflection of a company’s progress in achieving its objectives and it showcases a holistic, inclusive strategy.”

Non-compliance is not an option, with Nthabiseng saying that there has been a significant increase in the Department of Labour’s efforts to reduce non-compliance. “More audits and enquiries are taking place than ever before, and this trend will continue into 2020.”

Each company elects an EE committee to design and implement an Employment Equity plan. “There no rigid format for an EE plan. The Act allows you to customise your plan based on your company’s needs.”

Nthabiseng concludes saying that the EE committee should align closely to a trusted external advisor to ensure 100% compliance. “Failure is not an option, by partnering with an industry leader you receive trusted advisory and reap the benefits of a well-executed EE plan.”

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