

# Newly amended Employment Equity Act to come into effect in 2023

The newly amended Employment Equity (EE) Act which will aid workplace transformation in South Africa is set to come into operation on 1 September 2023.



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The amended EE Act of 1998 will empower the Employment and Labour Minister to regulate sector specific EE targets and to regulate compliance criteria to issue EE Compliance Certificates in terms of Section 53 of the EE Act.

The Employment Equity Amendment Bill, 2020 was passed by Parliament on 17 May 2022 and is waiting for the assenting and signing into law by the President.

Department of Employment and Labour's Acting Deputy Director-General (DDG) of Labour Policy and Industrial Relations (LP&IR), Thembinkosi Mkalipi, said the signing of the Bill by President Cyril Ramaphosa is imminent.

He said this was expected to happen between now and beginning of the new year.

“The main objectives of the Amendments are to empower the Minister to regulate sector specific EE Targets and to regulate compliance criteria to issue EE Compliance Certificates in terms of Section 53 of the EE Act. This means that organisations that do business with the State will have to be in good standing when it comes to compliance with EE,” Mkalipi said.

He cautioned that even those businesses that do not necessarily do business directly with the State will have to comply with the law.

Engagements on the setting of sector specific EE targets started in June 2019 and will be completed by the end of September 2022.

The Acting Deputy Director-General made these comments at the Eastcape Training Centre (ETC) in Gqeberha. This as the department and the Commission for Conciliation, Mediation and Arbitration (CCMA) 2022 Employment Equity workshop on Tuesday.

Mkalipi said the department will in due course publish the list of sector targets for public comment.

“The implication for employers is that if you have an EE plan in place it will be affected by the setting of targets and you will have to revisit your targets,” he said.

According to Mkalipi, 18 sectors have been consulted on the setting of EE targets.

Some of the sectors consulted include:

- Education;
- Water supply,
- Sewerage management and remediation;
- Accommodation and food services;
- Human health and social work;
- Agriculture, forestry and fishing;
- Wholesale and retail trade;
- Repair of motor vehicles and motorcycles;
- Administrative and support;
- Professional, scientific and technical;
- Electricity, gas steam and air conditioning supply;
- Financial and insurance activities.

The remaining sectors that are to be consulted between now and end of September 2022 include:

- Mining and quarrying;
- Public administration
- Defence,
- Manufacturing,
- Information and communication,
- Construction
- Real estate

Mkalipi said a new EE online assessment system will be created to monitor the implementation of sector targets. He said the assessment will be done annually.

The system will allow employers to report on their planned targets and how they intend to achieve those.

In the financial year of 2024, the first year post sector target setting period - the system will be able to tell whether employers are achieving their target plans.

He added that in cases where employers were not meeting their target, they would need to have justifiable reasons for not achieving these.

“The system will accept in good faith all the information supplied. The department will through the inspectorate visit workplaces to verify if information submitted is genuine,” he said.

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