



## New Draft Regulations on Employment Equity Sectoral Targets

On 1 February 2024, the Minister of Employment and Labour published new draft regulations (February 2024 Regulations) dealing with the proposed sectoral numerical targets contemplated in section 15A of the Employment Equity Act, 1998 (EEA) for public comment. This section was introduced by the amendments signed into law by President Ramaphosa on 6 April 2023, which are still to come into effect.

This significant announcement follows months of public commentary and spirited debate surrounding the previous version of the regulations, which were released in May 2023 (referred to as the May 2023 Regulations). Additionally, an agreement was reached between the South African Government and the trade union Solidarity, which was later transformed into a court order in October 2023, known as the Settlement Agreement.

The public has 90 days (i.e. until 2 May 2024) to comment on the February 2024 Regulations.

### Revised Regulations: Enhanced Clarity and Inclusivity

The revised regulations introduce a more comprehensive approach to interpreting and implementing sectoral targets. Notably, a significant shift has occurred as the distinction between provincial and national targets has been eliminated. Instead, the republished targets now emphasize a single target for each economic sector, differentiated solely by gender.

Furthermore, the revised regulations have eliminated the distinction between designated racial groups, namely Africans, Coloureds, and Indians. The focus has shifted to "designated groups," a term defined in the Employment Equity Act (EEA) as encompassing black individuals (Africans, Coloureds, and Indians), women, and people with disabilities who are South African citizens by birth or descent. This definition also extends to black individuals who became citizens of South Africa through naturalization before or after April 27, 1994, and who would have been eligible for naturalization before that date but were prevented by apartheid policies.

The revised regulations maintain their focus on top and senior management, professionally qualified, skilled levels, and people with disabilities. However, no specific targets are set for the semi-skilled and unskilled levels. Nevertheless, designated employers are obligated to consider the demographics of the economically active population concerning these levels.

### Implications for Employers and Employment Equity Plans

Once the amendments to the EEA come into force, designated employers will need to align their employment equity plans with the relevant sectoral targets.