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| **PLEASE READ THIS FIRST** | **SECTION A: EMPLOYER DETAILS & INSTRUCTIONS** | |
| **PURPOSE OF THIS FORM**  This form enables employers to comply with Section 27 (1) of the Employment Equity Act 55 of 1998, as amended.  This form contains the format for an Income Differential Statement to be completed by a designated employer and submitted to the Department of Employment and Labour.  **WHO COMPLETES THIS FORM?**  Designated employers are required to complete this form. Designated employers are those who employ 50 or more employees.  **(NB: Employers with 1 to 49 employees are designated if they are an organ of state or if they are appointed as a designated employer by a collective agreement to comply with Chapter 3 of the EEA)**  **WHEN SHOULD EMPLOYERS REPORT?**  Designated employers must complete the EEA2 and EEA4 forms and submit them together to the Department of Employment and Labour from 1 September to 15 January of the following year when submitting online. Hand delivered reports must only be submitted from 1 September to the first working day of October of the same year to the Department of Employment and Labour (Head Office).  **Online reports and contact details:**  [www.labour.gov.za](http://www.labour.gov.za)  **NO FAXED OR E-MAILED OR REGISTERED MAILED REPORTS WIIL BE ACCEPTED** | Trade name |  |
| DTI registration name |  |
| DTI registration number |  |
| PAYE/SARS number |  |
| UIF reference number |  |
| EE reference number |  |
| National or Provincial EAP |  |
| Industry/Sector |  |
| Seta classification |  |
| Bargaining Council |  |
| Telephone number |  |
| **Postal address** |  |
|  |
| Postal code |  |
| City/Town |  |
| Province |  |
| **Physical address** |  |
|  |
| Postal code |  |
| City/Town |  |
| Province |  |
| **Details of CEO/Accounting Officer** | |
| Name and surname |  |
| Telephone number |  |
| Email address |  |
| **Details of Employment Equity Senior Manager** | |
| Name and Surname |  |
| Telephone number |  |
| Email address |  |
| **Business type (Mark with an X)** | |
| **** Private Sector   National Government  **** Local Government  **** Non-profit Organisation | **** State Owned Enterprise  **** Provincial Government **** Educational Institution |
| **Information about the organization (Mark with an X)** | |
| Is your organisation an organ of State or designated in terms of a collective agreement? | |  |  | | --- | --- | | **YES** | **NO** | |  |  | |
| Number of employees in your organisation. **(NB: Employers with 1 to 49 employees are designated if they are an organ of state or if they are appointed as a designated employer by collective agreement to comply with Chapter 3 of the EEA)** | |  |  | | --- | --- | | **1 to 49** |  | | **50 to 149** |  | | **150 or more** |  | |
| Is your organisation part of a group / holding company?  If yes, please provide the name. | |  |  | | --- | --- | | **YES** | **NO** | |  |  |   \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Year for which this report is submitted | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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**SECTION B: THE FOLLOWING MUST BE TAKEN INTO CONSIDERATION WHEN COMPLETING THE EEA4 FORM**

1. The objective of the EEA4 Form is to collect information for the assessment of the remuneration gap between the highest paid and lowest paid employees and, at the same time, to assess inequalities in remuneration in relation to race and gender in the various occupational levels. It must be noted that the total number of employees in the EEA2 in each occupational level (Workforce profile table 1.1) must be taken into account when completing this form (EEA4).
2. All employees (including Foreign Nationals) must be included when completing the EEA4 form in the appropriate space provided in the table below. Temporary employees are employees employed to work for less than three months over a period of 12 months.
3. **“Remuneration”** means any payment in money or in kind, or both in money and in kind, made or owing to any person in return for that person working for any other person, including the State.
4. Remuneration (i.e. fixed and variable remuneration) contained in this form must reflect information of the same employees reflected in the EEA2 Form for the reporting period concerned across all occupational levels. The workforce in terms of race and gender must be exactly the same as the workforce outlined in the EEA2 Form.
5. All employees, including Foreign Nationals and temporary employees (i.e. those employees employed to work for less than three months) must be included when completing the EEA4 Form.
6. Calculation of remuneration must include a period of twelve months and reflect the same reporting period covered by the EEA2 Form. Where an employee had not worked for a full twelve-month period, an amount equivalent to the annual remuneration must be calculated and furnished. For example, the annual equivalent for an employee who worked for three months and earned R30 000 is R120 000 (i.e. (R30 000 / 3) \* 12). All remuneration amounts to be reflected in the table below must be rounded up to the nearest Rand (R) and included as **total remuneration** **(fixed / guaranteed remuneration plus any variable remuneration)** that waspaidoutfor each group in terms of population group and gender.
7. No blank spaces, commas (,), full stops or decimal points (.) or any other separator should be included when capturing the remuneration information in each of the cells in the table below – for example R7 345 567.6 must be captured as R7345568 with no separators.
8. All remuneration (i.e. total cost to company) must be included in the form as annualized fixed / guaranteed remuneration and annualized variable remuneration). The information below provides inclusions and exclusions to consider when completing the EEA4 Form.
   1. **Fixed / Guaranteed remuneration includes:**
      1. Salary/wage;
      2. Housing or accommodation subsidy or housing or accommodation received as a benefit in kind;
      3. Travel allowance or provision of a car, except to the extent that the allowance or the car is provided to enable the employee to work as provided for by the Fourth and Seventh Schedules of the Income Tax Act;
      4. Any cash payments made to an employee, except those listed as exclusions in terms of this schedule;
      5. Any other payments in kind received by an employee, except those listed as exclusions in terms of this schedule;
      6. Employer's contributions to medical aid, pension, provident fund or similar benefit funds;
      7. Employer's contributions to income protection, funeral or death benefit schemes; and
      8. Guaranteed (non-discretionary) annual bonus/13th cheque.

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* 1. **Variable remuneration includes:**

1. Short-term incentives: annual or shorter incentives and (generally) cash performance-based payments, including deferrals (commission schemes are included here);
2. Long-term incentives: longer than one year, (usually) share-based awards and cash-based settlement that have a vesting period of more than one year must also be included, which may be retention and / or performance-based;
3. Lump sums in respect of ongoing employment e.g. back pay and leave paid upon termination;
4. Discretionary payments not related to an employee's hours of work or performance (for example, a retention bonus);
5. As provided for by the Income Tax Act, the taxable benefit portion of bursaries and scholarships provided to the employee and/or relatives of the employee;
6. Dividends included as remuneration by the Fourth Schedule of the Income Tax Act; and
7. Overtime.
   1. **Excluded:**
8. Any allowance, cash payment or payment in kind provided to enable the employee to work (for example, an equipment, tool or similar allowances or the provision of transport or the payment of a transport allowance to enable the employee to travel to and from work);
9. Gratuities (for example, tips received from customers) and gifts from the employer;
10. Non-employment related lump sums such as severance pay; and
11. Dividends not included as remuneration by the Fourth Schedule of the Income Tax Act.
12. **Information and Calculations**

Information is required on the number of employees, including employees with disabilities, and the total remuneration in each **occupational level** in terms of the population group and gender in **Section C of the EEA4 form**.

In addition, remuneration information is required for the lowest paid individual at the lowest occupational level and the remuneration of the highest paid individual is required for each of the other occupational levels in your organisation in terms of population group and gender in **Section D of the EEA4 form**.

* 1. Please provide the remuneration of the employee with the **highest total remuneration** (i.e. fixed/guaranteed and variable remuneration) for each occupational level in terms of population group and gender. Where applicable, information must be provided for both males and females for Africans, Coloureds, Indians, Whites and Foreign Nationals.
  2. Please provide the remuneration of the employee with the **lowest total remuneration** (i.e. fixed/guaranteed and variable remuneration) for the lowest occupational level in your organisation in terms of population group and gender. Where applicable, information must be provided for both males and females for Africans, Coloureds, Indians, Whites and Foreign Nationals.
  3. Please provide the **median remuneration** and the **remuneration gap** as required in **Section E of the EEA4 Form**.

1. The information contained in a report must be authorised and verified by the chief executive officer; or the Accounting Officer in the case of an employer falling under the Public Finance Management Act, 1999(Act No.1 of 1999) or the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

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**SECTION C: WORKFORCE PROFILE AND TOTAL REMUNERATION**

Please use the table below to indicate the number of employees, including employees with disabilities, and the total remuneration in terms of population group and gender for each occupational level. In addition, please provide the total remuneration per occupational level in your organisation.

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Occupational levels** | | **MALE** | | | | **FEMALE** | | | | **FOREIGN NATIONALS** | | **Total** |
| **A** | **C** | **I** | **W** | **A** | **C** | **I** | **W** | **M** | **F** |
| **Top Management** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **Senior Management** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **Professionally qualified and experienced specialists and mid-management** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **Skilled technical, academically qualified and, junior management,** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **Semi-skilled and discretionary decision making** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **Unskilled and defined decision making** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **TOTAL PERMANENT** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **Temporary employees** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |
| **TOTAL** | **Number of employees** |  |  |  |  |  |  |  |  |  |  |  |
| **Total remuneration** |  |  |  |  |  |  |  |  |  |  |  |

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**SECTION D1: FIXED / GUARANTEED AND VARIABLE REMUNERATION**

Please provide the remuneration of the employee with the **highest total remuneration** **(i.e. fixed/guaranteed and variable remuneration)** in terms of population group and gender for each occupational level, where applicable. Where a choice has to be made between two employees with the same total remuneration, i.e. one employee having a higher fixed/guaranteed remuneration and the other employee having a higher variable remuneration, the employee with the higher variable remunerationshould be chosen when completing the form below**. (NB: If there is only one employee at a particular occupational level, only capture their information in table D1 and do not repeat their information in table D2)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Occupational levels** | | **MALE** | | | | | **FEMALE** | | | | | | | | **FOREIGN NATIONALS** | | |
| **A** | **C** | | **I** | **W** | **A** | | **C** | | **I** | | **W** | | **M** | | **F** |
| **Top Management** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Senior Management** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Professionally qualified, experienced specialists and mid-management** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Skilled technical, academically qualified and junior management** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Semi-skilled and discretionary decision making** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Unskilled and defined decision making** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |

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**SECTION D2: FIXED / GUARANTEED AND VARIABLE REMUNERATION**

Please provide the remuneration of the employee with the **lowest total remuneration** **(i.e., fixed/guaranteed and variable remuneration)** in terms of population group and gender for each occupational level, where applicable. Where a choice has to be made between two employees with the same total remuneration, i.e., one employee having the lowest fixed/guaranteed remuneration and the other employee having the lowest variable remuneration, the employee with the lowest variable remunerationshould be chosen when completing the form below**.**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Occupational levels** | | **MALE** | | | | | **FEMALE** | | | | | | | | **FOREIGN NATIONALS** | | |
| **A** | **C** | | **I** | **W** | **A** | | **C** | | **I** | | **W** | | **M** | | **F** |
| **Top Management** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Senior Management** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Professionally qualified, experienced specialists and mid-management** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Skilled technical, academically qualified and, junior management,** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Semi-skilled and discretionary decision making** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Unskilled and defined decision making** | **Fixed / Guaranteed** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Variable** |  |  |  | |  |  |  | |  | |  | |  | |  | |
| **Total Remuneration** |  |  |  | |  |  |  | |  | |  | |  | |  | |

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**SECTION E: MEDIAN REMUNERATION AND THE REMUNERATION GAP**

Please note that in order to complete this section properly, your payroll must be sorted in ascending order from the lowest pay to the highest pay. **Total annual remuneration** includes fixed/guaranteed and variable pay. The ‘**median’**" is the "middle" value in a list of payments (i.e. total remuneration) ranked from lowest to highest. When the payroll contains an even number of values, the median is the sum of the two middle values divided by 2. The **range** is the area of variation that includes the lower and upper limits of a particular scale. To calculate the range of the top 5% highest paid employees and the range of the lowest 5% paid employees, please do the following:

1. Sort the payroll in ascending order (from the lowest pay to the highest pay).

2. Multiply the total number of employees by 5% (Round off decimals to the nearest whole number).

3. Refer to the earnings of employees that correlate to the number referred to above.

4. Capture the range (lowest and highest) remuneration of the top 5% of the highest paid employees, e.g. from R1000, 000 (lowest) to R2000, 000 (highest).

5. Repeat the exercise for the lowest 5% paid employees, e.g. from R100, 000 (lowest) to R200, 000 (highest).

|  |  |  |  |
| --- | --- | --- | --- |
|  | | | |
| **Number of employees covered in the top 5% of the highest paid employees in your organisation** | **Number of employees** |  | |
| **What is the total annual remuneration of the top 5% of the highest paid employees in your organisation?** | **Total Annual Remuneration** |  | |
| **What is the range of the top 5% of the highest paid employees in your organisation (total annual remuneration)?** | **Range** | | |
| **From (Lowest)** | **To (Highest)** | |
| **R** | **R** | |
| **Number of employees covered in the lowest 5% paid employees in your organisation** | **Number of employees** |  | |
| **What is the total annual remuneration of the lowest 5% paid employees in your organisation?** | **Total Annual Remuneration** |  | |
| **What is the range of the lowest 5% paid employees in your organisation (total annual remuneration)?** | **Range** | | |
| **From (Lowest)** | **To (Highest)** | |
| **R** | **R** | |
| **What is the median remuneration for employees in your organisation?** | **Median Remuneration** | **R** | |
| **Please indicate whether your organisation has a remuneration policy in place to address and close the vertical gap/ horizontal gap between the highest and lowest paid employees in your workforce? (Mark with X)** | **YES** | |  |
| **NO** | |  |

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| **How many times (e.g. 10x, 15x, 20x) is the vertical gap between the highest paid employee and lowest paid employee in your organisation?** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | |
| **Is the remuneration-gap between the highest and lowest paid employees in your organisation aligned to your remuneration policy? (Mark with X)** | **YES** |  |
| **NO** |  |
| **Are there measures to address the remuneration gap in your Employment Equity Plan? (Mark with X)** | **YES** |  |
| **NO** |  |
| **Please indicate a key reason for the Income Differentials that apply to your organisation. (Mark with X)** | 1. **Seniority/ length of service** |  |
| 1. **Qualifications** |  |
| 1. **Performance** |  |
| 1. **Demotion** |  |
| 1. **Experiential training** |  |
| 1. **Shortage of skill** |  |
| 1. **Transfer of business** |  |
| 1. **Other** |  |
| **If other is chosen as a key reason above, please specify the key reason-** |  | |

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**SECTION F: Signature of the Chief Executive Officer/Accounting Officer**

The information contained in a report must be authorised and verified by the Chief Executive Officer; or the Accounting Officer in the case of an employer falling under the Public Finance Management Act, 1999(Act No.1 of 1999) or the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

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| **Chief Executive Officer /Accounting Officer**  **I ---------------------------------------------------------------------------------(Full Name) CEO/Accounting Officer of (Organisation)**  **--------------------------------------------------------------------------------------------------------------------------------------**  **hereby declare that I have read, approved and authorized this information.**  **Signed on this --------------------------day of ------------------------------------------------- (month) year --------**  **At (place): -----------------------------------------------------------------------------------------------------------**  **-------------------------------------------------------------**  **Chief Executive Officer/Accounting Officer** |