

## **The proposed employment equity sectoral targets have been published, now what?**

On May 12th, 2021, the Department of Employment and Labour gazetted draft sectoral targets for employment equity. These targets aim to promote workplace diversity and equality in various industries throughout the country, including the agricultural sector.

The employment equity sectoral targets consist of specific goals that each industry must meet in terms of representation and participation of designated groups in the workforce. These designated groups include Black , Indian and Coloured people, and people with disabilities. These proposed sectoral targets, once finalized will be legally binding, and employers who fail to meet them will face penalties and fines. In addition, employers that do not comply, will not be able to conclude any contracts with government.

For the agricultural sector, the new proposed targets require that workplace representation of Black, Coloured , Indian should be as follows:

- top management 35% ,
- senior management 40% ,
- professionally qualified 60%
- technically skilled at 78% .

This means that agricultural employers must prioritize the recruitment, training, and development of people to ensure that they are adequately represented in the workforce. Unfortunately the proposed EE targets come at a difficult and most challenging time with a constricted economy, rising inflation, as well as rising input - and food prices.

The agricultural sector has always welcomed transformation, knowing this will also address economic and inequality issues in our country. Employers support realistic and coordinated transformation initiatives within the sector. Most agricultural businesses have embedded transformation plans within their employment plans

The department did not take into consideration the flat structure that primary agriculture employers have. The Bill should differentiate between agribusinesses and primary producers. The latter are largely family owned and operated, and hence chances are that top management and senior management positions are occupied by family members. Assuming that there is one owner “top manager” with the children as “senior management”, it would not be feasible to change the percentage top management. It will also not be practical to remove any of the children and replace them with a non-family member. The decision on whether or not to increase the number in “senior management” roles in order to accommodate external personnel largely depends on financial feasibility of such a structure, and chances are that it might not be feasible to do so.

Employers in the agricultural sector do view these sectoral targets as an opportunity to take proactive steps towards creating a more diverse and inclusive workplace but they worried about the five year timeframe that the government has set to achieve those targets , they see the time frame as unrealistic.

The government called for comments on the EE targets and submissions by 11 June 2023. This will give the general public and employers to comment on the proposed targets. Should the targets not change the employer will be face with the challenge of achieving the targets.

Agbiz is busy consulting with members and is drafting a submission for mandating by members. Agbiz’s employment equity committee will meet this coming Friday to discuss the submission

