Employment Equity Guide

2023

RSA

Contents

1. Legislation

Purpose:

The purpose of the Employment Equity Act (EEA) is to achieve equity in the workplace by promoting equal opportunity and fair treatment and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups. The EEA applies to all employees and designated employers. Failure to comply with the provisions of the EEA may result in imposition of fines.

Who is an employee for employment equity purposes?

Any person other than an independent contractor who works for another person (or the State) and who receives or is entitled to receive any remuneration and, in any manner, assist in carrying on or conducting the business of the employer.

Who is an employer for employment equity purposes?

A designated employer is:

- an employer who employs 50 or more employees, or
- an employer who employs less than 50 employees but has a total annual turnover that is equal to or more than the annual turnover threshold.

Annual turnover thresholds:

TURNOVER THRESHOLD APPLICABLE TO DESIGNATED EMPLOYERS	
Sector or subsectors in accordance with the Standard Industrial Classification	Total annual turnover
Agriculture	R6,00m
Mining and Quarrying	R22,50m
Manufacturing	R30,00m
Electricity, Gas and Water	R30,00m
Construction	R15,00m
Retail and Motor Trade and Repair Services	R45,00m
Wholesale Trade, Commercial Agents and Allied Services	R75,00m
Catering, Accommodation and other Trade	R15,00m
Transport, Storage and Communications	R30,00m
Finance and Business Services	R30,00m
Community, Special and Personal Services	R15,00m

Excluded employers are the National Defence Force, National Intelligence Agency, the South African Secret Service, and the South African National Academy of Intelligence.

Employers who are not designated employers may voluntarily register as a designated employer and comply with sections of the EEA.

What is equity remuneration?

Equity remuneration is any payment in money or in kind, or both in money and in kind, made or owing to any person working for any other person. It excludes –

- any allowance, cash payment or payment in kind provided to enable the employee for work (e.g., equipment, tool or similar allowance or the provision of transport or the payment of a transport allowance to enable the employee to travel to and from work),
- gratuities (e.g., tips received from customers) and gifts from the employer,
- non-employment related lump sums such as severance pay, and
- dividends not included as remuneration by the Fourth Schedule to the Income Tax Act.

Equity remuneration must be split between fixed/guaranteed remuneration, and variable remuneration.

Fixed/Guaranteed remuneration includes:

- salary/wage,
- housing or accommodation subsidy, or housing or accommodation received as a benefit in kind,
- travel allowance or provision of a car, except to the extent that the allowance or car is provided to enable the employee to work as provided by the Fourth and Seventh Schedules to the Income Tax Act,
- any cash payments in kind received by an employee, except those listed as exclusions,
- any other payment in kind, except those listed as exclusions,
- employer's contributions to income protection, funeral or death benefit schemes, and
- employer contributions to medical aid, pension, provident fund or similar benefit funds.

Variable remuneration includes:

- short-term incentives: annual or shorter incentives and (generally) cash performance-based payments, including deferrals (e.g. commission)
- 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 (may be retention and/or performance based),
- lump sums in respect of ongoing employment (e.g. back-pay and leave paid out),
- discretionary payments not related to an employee's hours of work or performance (e.g. retention bonus),
- the taxable benefit portion of bursaries/scholarships provided to the employee and/or relative of the employee; and
- dividends included as remuneration by the Fourth Schedule of the Income Tax Act.

Duty to report on employment equity:

Designated employers must submit their annual equity reports (in the required format) to the Department of Employment and Labour –

- manually on the first working day of October, or
- by 15 January of the following year only in the case of electronic reporting.

Employers who become designated employers on/after the first working day of April but before the first working day of October must only submit their first report on the first working day of October of the following year.

These annual reports include the:

- EEA2 (Employment Equity Report) and,
- EEA4 (Income Differential Statement).

To view the employment equity reports and the instructions on how to complete these reports, please click here.
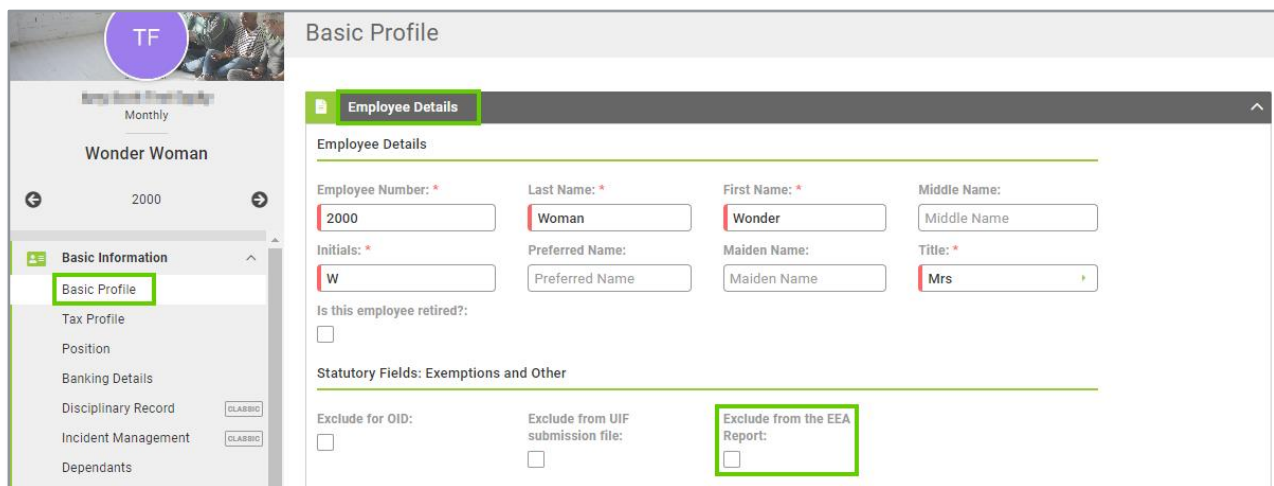
2. Paymaster Application

2.1.   Employee Level Configuration

The various employee fields that will be reported on in the EEA Reports are listed below.

2.1.1.   Basic Profile

- Exclude from the EEA Report
- Gender
- Race
- Disabled Type
- Foreign National

Navigation: Menu > Employee > Basic Information > Basic Profile > Employee Details
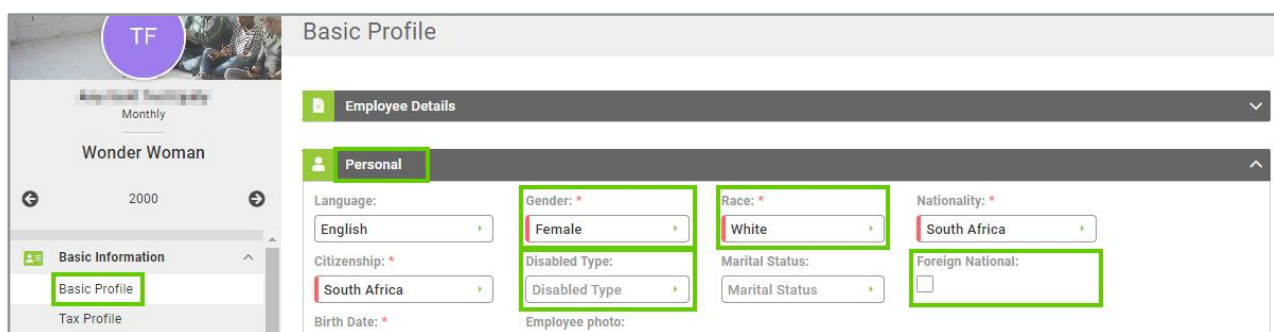

Navigation: Menu > Employee > Basic Information > Basic Profile > Personal
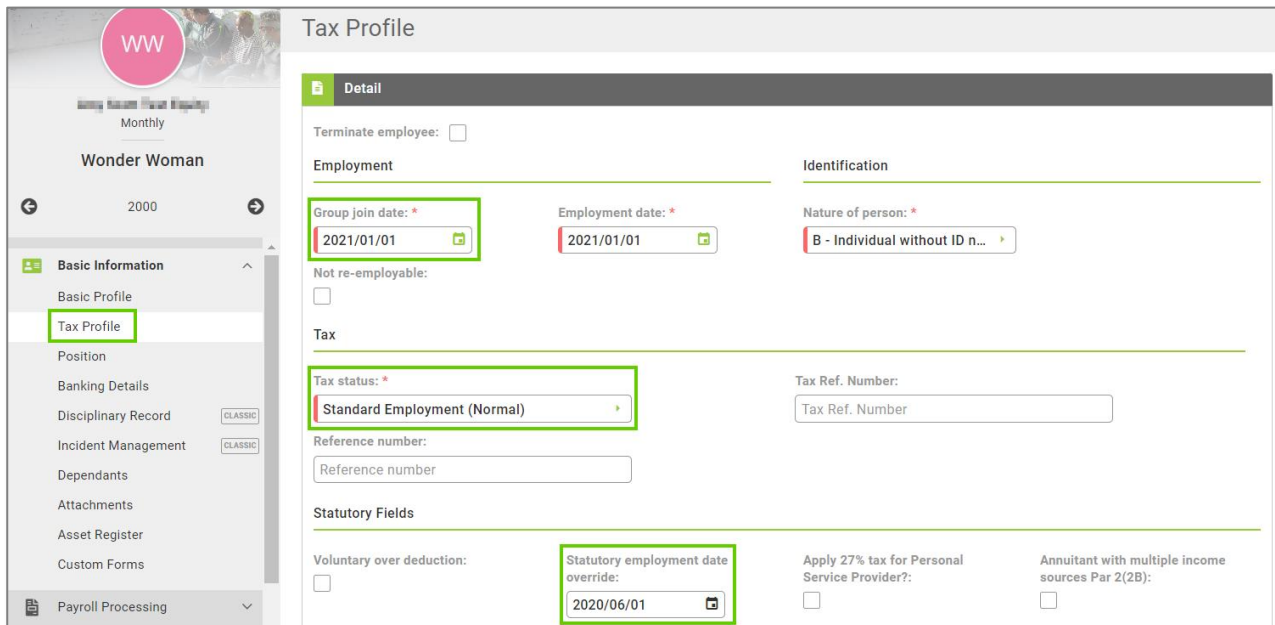
2.1.2. Tax Profile

- Group join date
- Tax status
- Statutory employment date override
- Termination date
- Termination reason

Navigation: Menu > Employee > Basic Information > Tax Profile

2.1.3. Position

- Effective Date
- Occupational level
- Employment status
- Is this a promotion?

2.1.4. Training Records

- Effective/Start Date

- Training Status

- Course
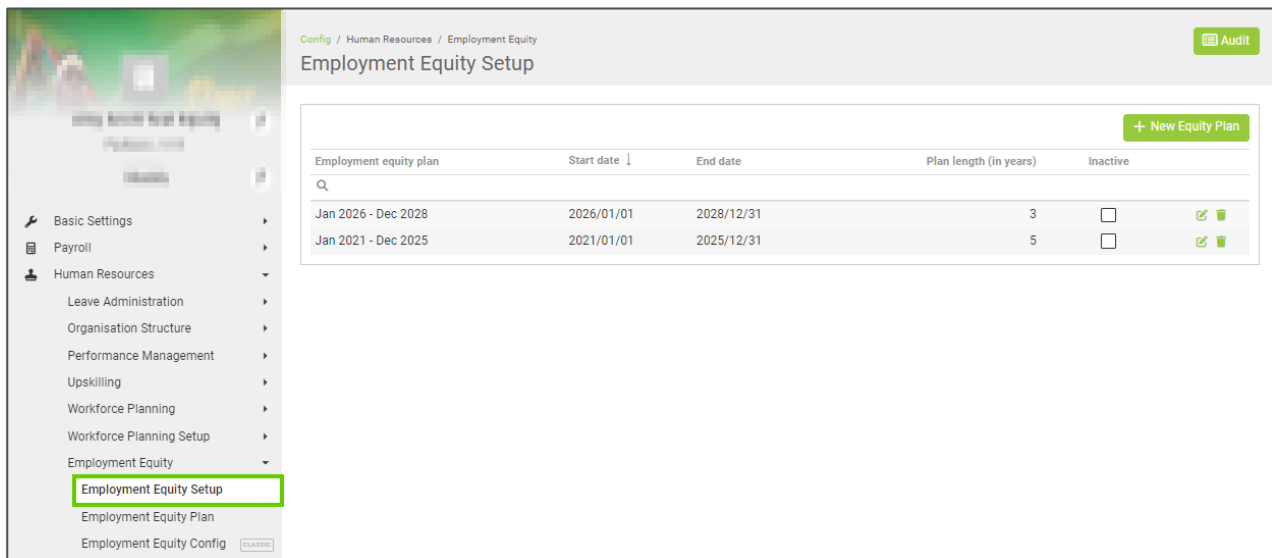
2.2. Company Level Configuration

2.2.5. Employment Equity Setup

The EEA2 Statutory Report returns the dates indicating the duration of the Employment Equity Plan on Page 2, as well as the target dates. Set up the Plan start and end dates on the Employment Equity Setup screen.

Navigation: Menu > Config > Human Resources > Employment Equity > Employment Equity Setup
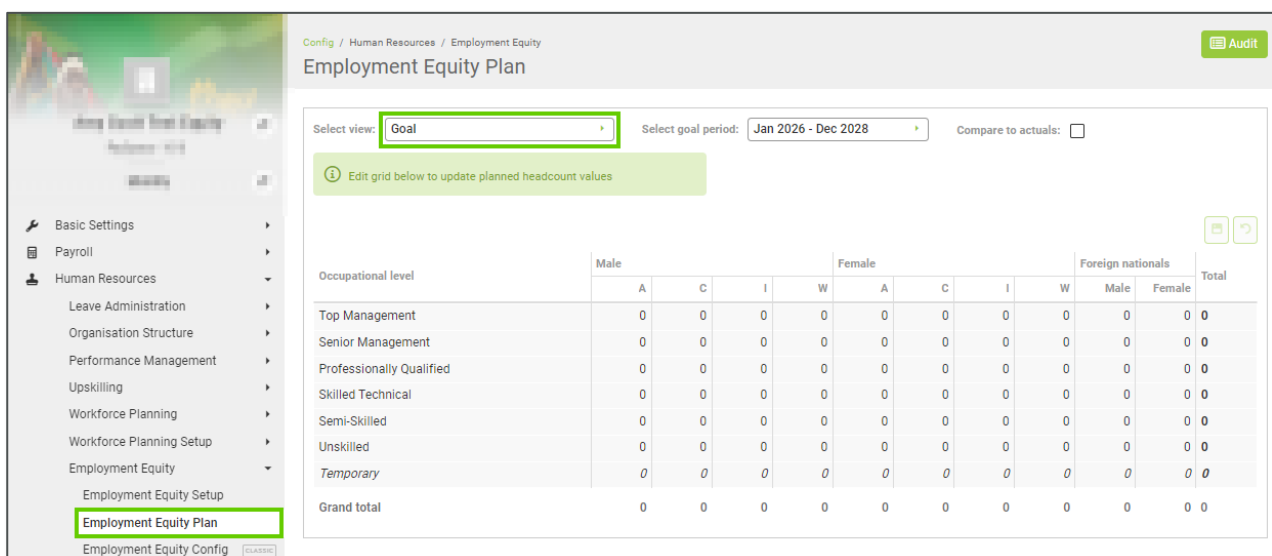
2.2.6. Employment Equity Plan

Setup the Numerical Goals and Targets on the Employment Equity Setup screen. These will return on Page 6 of the EEA2 Statutory Report.

Navigation: Menu > Config > Human Resources > Employment Equity > Employment Equity Plan Goal:

Target:

2.2.7. EEA4 Remuneration Configuration

To ensure the EEA4 Statutory Report returns the remuneration accurately, the components that need to be included must be indicated on the Employment Equity Config screen. This needs to be set-up per frequency.

There are four Remuneration Types considered when generating the EEA4 reports:

- Fixed / Guaranteed
- Fixed / Guaranteed Periodic
- Variable
- Variable Periodic

Navigation: Menu > Config > Human Resources > Employment Equity > Employment Equity Config

2.2.8. Basic Company Information

Some of the company information will be extracted from the payroll to complete Page 1 on the EEA2 and EEA4 report. The below fields are maintained on the Basic Company Information screens and are returned in the reports:
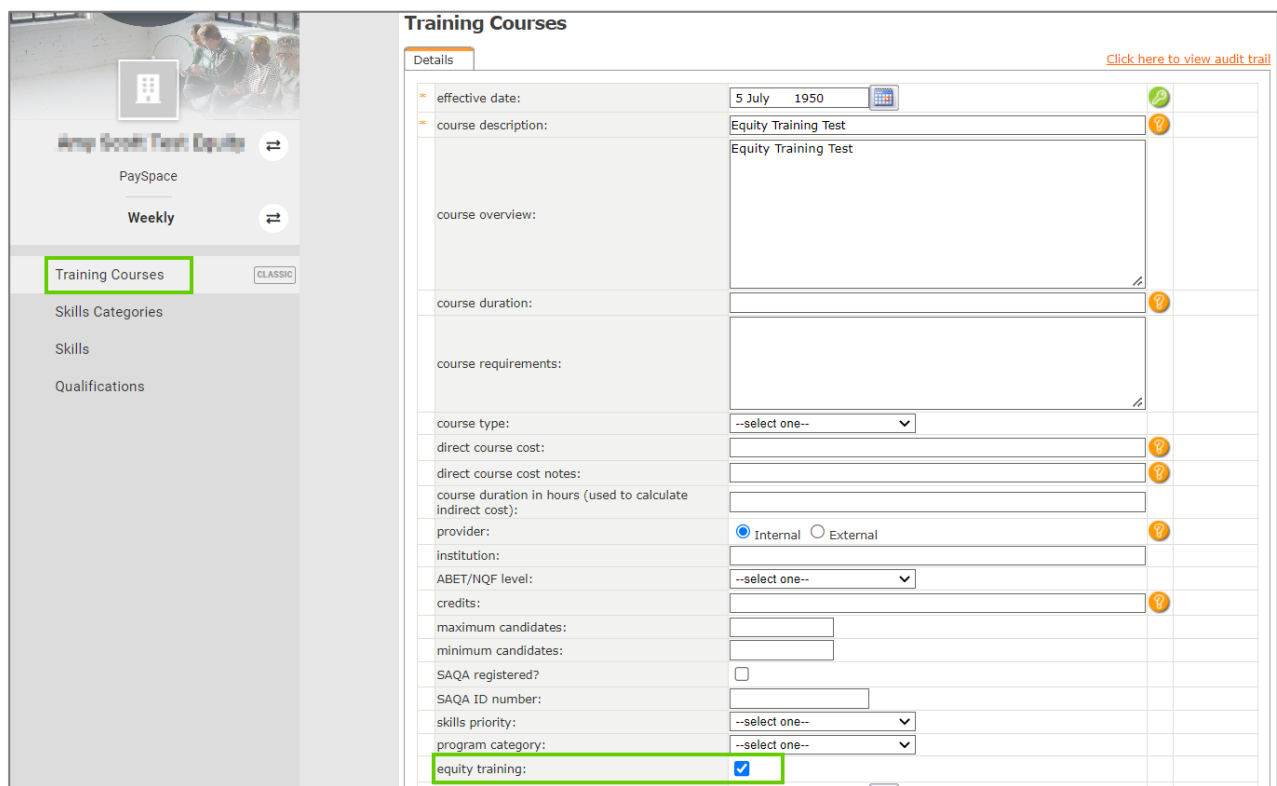
- Company Trading Name
- PAYE Reference Number
- Employment Equity Reference Number
- Physical Address
- Postal Address
- Telephone Number
- UIF Reference Number
- SETA

The Standard Industry Code stored on the Tax Certificate Run Screen is also returned.

2.2.9. Training Courses

The Equity Training checkbox must be selected on the Training Course to be included for EEA2 Table 5 Skills Development.

Navigation: Menu > Config > Human Resources > Training Courses

2.3. EEA Reports available on Paymaster

- EEA2 Report (Employment Equity Report)
- EEA2 Detail Report
- EEA4 Report (Income Differential Statement)
- EEA4 Detail Report

The EEA2 and EEA4 Detail Reports provide the information per employee that will be applied in the EEA2 and EEA4 Statutory Reports.

2.4. EEA2 Report and EEA2 Detail Report

The EEA2 Report and EEA2 Detail Report can be extracted from Paymaster. The EEA2 Report enables employers to comply with Section 21 of the Employment Equity Act. It incorporates the requirements to report on the workforce profile. Pages 1 to 6 will generate based on the information stored on the payroll. Pages 7 to 9 will return as part of the report but need to be completed manually.

2.4.10. Fields returned in the EEA2 Reports

EEA2 REPORTS | INFORMATION RETURNED		
COLUMN / FIELD	EEA2 DETAIL REPORT	EEA2 STATUTORY REPORT
Frequency	The Frequency Name will return.	N/A
Employee Number	The employee's Employee Number will return.	N/A
First Name	The employee's First Name will return.	N/A
Last Name	The employee's Last Name will return.	N/A
Occupational Level	The selected Occupational level will be returned for all employees within the reporting period. If no occupational level was linked, then the field will be blank.	Employees are categorised according to their occupational level. Permanent employees with **no occupational level** defined will be **excluded**.
Employment Status	The selected employment status will be returned for all employees within the reporting period. If no Employment status was linked, then the field will be blank.	- Employees linked to the options, **Permanent** and **Temporary – deemed to be permanent**, will be considered as **permanent employees**. - Employees linked to the option, **Temporary**, will be considered as **temporary employees**. - Employees linked to the option, **Contract**, will be **excluded.** - Employees who are **not linked** to an employment status, will be **excluded.**

Gender	The selected gender will be returned for all employees within the reporting period.	Differentiates between Male and Female employees. Employees linked to the **Unclassified** gender will be **excluded**.
Race	The selected race will be returned for all employees within the reporting period.	Differentiates between African, Coloured, Indian, and White employees. Employees who are foreign nationals and linked to the **Other** race, will be **included**. Employees who are **not** foreign nationals and linked to the **Other** race, will be **excluded**.
Disability Type	The selected disability type will be returned. If the Disabled Type field was **not populated**, then '**None'** will be returned.	• An employee linked to any option other than No Disability, will be categorised as an employee with a disability. • Therefore, only these employees will be included in **Table 1.2 Workforce Profile**.
Foreign National	Where the checkbox field, **Foreign National,** has been selected, '**Yes'** will be returned.	The employees that returned '**Yes'** will be reported on separately. Foreign Nationals are excluded from **Table 5 Skills Development.**
Group Join Date	The **Group Join Date** will be returned for all employees.	If the Group Join Date is within the reporting cycle, then the employee will be counted in **Table 2 Recruitment.**
Employment Date	The **Employment Date** will be returned for all employees.	N/A
Statutory Employment Date	If the field, **Statutory Employment Date Override** has been populated, it will be returned.	If the Statutory Employment Date Override is within the reporting cycle, then the employee will be counted in **Table 2 Recruitment.**
Termination Date	If processed on or before the last day of the reporting period, the selected **Termination Date** will be returned. The Termination Date will return for transferred employees.	Terminated employees will be included in **Table 4 Termination.**
Transferred	A '**Yes'** will be returned if an employee is transferred. A '**No'** will be returned if the employee was terminated using the normal termination process.	When an employee is transferred between frequencies then both employee records will be consolidated. If the employee was transferred but the '**terminate for Statutory reporting'** was selected during the transfer, then the records will not be consolidated, and they will be counted separately.
Custom Field to Exclude from the EEA Report	A '**Yes'** will be returned Where the checkbox field, **Exclude from the EEA Report**, has been selected on the employee's Basic Profile.	These employees will be excluded from the EEA Statutory Reports.
Exceptions Not Reported On	Employees who will not be included in the main report will be returned as '**Yes'** in this column. All other employees will return as '**No'.**	The employees flagged as '**Yes'** in the detail report will be excluded from the EEA Statutory Reports.

	'Yes' will be returned based on the following conditions:		
	SCREEN	FIELD	PROCESSING
	Position Screen	Occupational Level	Where the employee's employment status is **Permanent** or **Temporary – deemed to be permanent**, and **no occupational level** has been defined on the position the employee is linked to.
		Employment Status	If the employee is linked to the option, **Contract** or if the employee is **not linked** to an employment status.
	Basic Profile	Gender	Employees linked to the option, **Unclassified.**
		Race	Employees linked to the option, **Other.**
		Exclude for EEA Report	When the checkbox was **selected**.
	Tax Profile Screen	Tax Status	Employees linked to the '**Personal Service Company**' or '**Personal Service Trust**' tax status. Note: since the tax status is not included in the EEA Detail Reports, it is the only condition that will not be clarified based on the information that displays in the previous columns.
	Tip: Before starting the reconciliation process, apply a filter to this column on employees flagged as 'No'. Review the employees flagged as 'Yes' to determine if there may have been any processing errors that need to be rectified on the payroll.		
Workforce Profile	If the employee is active on the last day of the reporting period, '**Yes**' will be returned. If not, '**No**' will be returned.		**Table 1.1. Workforce Profile** The records that returned 'Yes' in the EEA2 Detail Report, including the new recruits will be included.
Recruitment	If the employee's Group Join Date **OR** Statutory Employment Date Override is within the reporting period, a '**Yes**' will be returned. If not, a '**No**' will be returned. Kindly refer to *2.7 Additional Considerations* for a clarification on how transferred and reinstated employees will be reported on.		**Table 2 Recruitment** The records that returned '**Yes**' in the EEA2 Detail Report, will be included.
Promotion	Where the field, **Is this a promotion?**, has been selected and the **Effective Date** of the record is **within the reporting period**, it will be indicated as '**Yes**'.		**Table 3 Promotion** The records that returned '**Yes**' in the EEA2 Detail Report, will be **included.**
Termination	If the employee's **Termination Date** is on or before the last day of the reporting period, '**Yes**' will be returned. Kindly refer to *2.7 Additional Considerations* for a clarification on how transferred and reinstated employees will be reported on.		**Table 4 Termination** The records that returned '**Yes**' in the EEA2 Detail Report, will be **included**.
Skills Development	If there are one or more training records, then a '**Yes**' will be returned.		**Table 5 Skills Development**

The training record must adhere to the following:	The records that returned '**Yes**' in the EEA2 Detail Report, will be included.
• **Equity Training** must be selected on the **Training Course**.	• **Foreign nationals** and **Terminated employees** are excluded from this table.
• The **Effective/Start Date** of the training record must be within the reporting period.	Note: the number of employees is recorded, not the number of training courses.
• The Training Status must be **Completed, Passed,** or **Attended**.	

2.5. EEA4 Report and EEA4 Detail Report

The EEA4 Report and EEA4 Detail Report can be extracted from Paymaster. The purpose of the EEA4 Report is to collect information for the assessment of the remuneration gap between the highest paid and lowest paid employees, by comparing race and gender across the various occupational levels.

The EEA4 Report includes details regarding the total annual remuneration. The information that is extracted from the payroll is applied in Sections C, D and E. Pages 1, 4, 5, and 6 will be generated based on the information stored on the payroll. Pages 2, 3, and 7 will return as part of the report but need to be completed manually.

The income differentials in the EEA4 Statutory Report must display the information of the same employees included in the **EEA2 Statutory Report, Table 1.1 Workforce Profile.** Employees who are active on the last day of the reporting cycle, are therefore included and terminations are excluded.

2.5.11. Remuneration

The remuneration returned on the EEA4 Report must include a period of twelve months and reflect the same reporting period covered by the EEA2 Report. The total annual remuneration will be included in the EEA4 Report Sections C, D, and E.

Where an employee had not worked for a full twelve-month period, an amount equivalent to the annual remuneration should be calculated and returned. The periods of employment are determined by counting the pay periods within the reporting cycle where there is a payslip with a net value greater than zero.

2.5.11.1. Annualisation

Regular monthly payments must be annualised, and remuneration received periodically must not be annualised. On the payroll, the periodic remuneration will be derived from the components that were marked as periodic on the Employment Equity Config Screen.

See the below examples for the various types of remuneration taken into consideration.

Example of Remuneration Type: Fixed / Guaranteed

Example of Remuneration Type: Fixed / Guaranteed Periodic

Example of Remuneration Type: Variable

Example of Remuneration Type: Variable Periodic

2.5.11.2. Annualised Remuneration Example

This employee has been working at the company since the 1st of April 2022 as a permanent employee. The employee's remuneration is clarified as follows:

EXAMPLE 2																
Month	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	
Reporting Cycle		1 July 2021 to 30 June 2022															
Employee A | Contract Period											1 April 2022 to Current						Totals
Fixed Remun (i.e. Basic Pay)											30 000	30 000	30 000				90 000
Variable Remun (i.e. Overtime @ 1.5)													2 000				2 000
Fixed Periodic Remun (i.e. Annual Bonus)												30 000					30 000
Variable Periodic Remun (i.e. Advised Bonus)											5 000						5 000

The total annual remuneration will be calculated as follows:

= ((Fixed + Variable) / Periods Worked in EE Year) X Periods in the EE Year) + (Fixed Periodic + Variable Periodic)

= (((90 000 + 2 000)/3) * 12) + (30 000 + 5 000)

= (368 000) + (35 000)

= 403 000

2.5.12. Fields returned in the EEA4 Reports

EEA4 REPORTS | INFORMATION RETURNED		
COLUMN / FIELD	EEA4 DETAIL REPORT | Tab 1	EEA4 STATUTORY REPORT
Frequency	The Frequency Name will return.	N/A
Employee Number	The employee's Employee Number will return.	N/A
First Name	The employee's First Name will return.	N/A
Last Name	The employee's Last Name will return.	N/A

Occupational Level	The selected Occupational level will return. If no occupational level was linked, then the field will be blank.	Employees are categorised according to their occupational level. Permanent employees with **no occupational level** defined will be **excluded**.
Employment Status	The selected employment status will return for all employees within the reporting period. If no Employment status was linked, then the field will be blank.	• Employees linked to the options, **Permanent** and **Temporary – deemed to be permanent**, will be considered as **permanent employees**. • Employees linked to the option, **Temporary**, will be considered as **temporary employees**. • Employees linked to the option, **Contract**, will be **excluded.** • Employees who are **not linked** to an employment status, will be **excluded.** • **Section D**, only reports on permanent employees.
Gender	The selected gender will be returned for all employees within the reporting period.	Differentiates between Male and Female employees. Employees linked to the **Unclassified** gender will be **excluded**.
Race	The selected race will be returned for all employees within the reporting period.	Differentiates between African, Coloured, Indian, and White employees. Employees who are foreign nationals and linked to the **Other** race, will be **included**. Employees who are **not** foreign nationals and linked to the **Other** race, will be **excluded**.
Foreign National	Where the checkbox field, **Foreign National,** has been selected, '**Yes'** will be returned.	These employees will be reported on separately.
Group Join Date	The selected **Group Join Date** will be returned for all employees within the reporting period.	N/A
Employment Date	The **Employment Date** will be returned for all employees.	N/A
Statutory Employment Date	If the field, **Statutory Employment Date Override** has been populated, it will be returned.	N/A
Termination Date	The **Termination Date** for only **transferred** employees will return. Employees who are terminated are not reported on in the EEA4.	Employees who are terminated are not reported on in the EEA4.
Transferred	A **'Yes'** will be returned if an employee is transferred. If the employee was transferred but the **'terminate for Statutory reporting'** was selected during the transfer, then the employee will not return in the EEA4 reports.	When an employee is transferred between frequencies then both employee records will be consolidated.

Custom Field to Exclude from the EEA Report	Where the checkbox field, **Exclude from the EEA Report**, has been selected, '**Yes'** will be returned.	These employees will be excluded from the EEA Statutory Reports.
Exceptions Not Reported On	Refer to the detailed explanation of this field on page 13. The same rules apply to the EEA2 and EEA4 Detail Reports.	The employees flagged as '**Yes'** in the detail report will be excluded from the EEA Statutory Reports.
Fixed / Guaranteed Remuneration	Returns the total of the amounts in the **Annualised Amount** column in Tab 2 for the '**Fixed / Guaranteed'** and '**Fixed / Guaranteed Periodic'** Remuneration Types.	N/A
Variable Remuneration	Returns the total of the amounts in the **Annualised Amount** column in Tab 2 for the '**Variable'** and '**Variable Periodic'** Remuneration Types.	N/A
Total Remuneration	The sum of the **Fixed / Guaranteed Remuneration** and the **Variable Remuneration** columns.	Returned in the EEA4 Report.

2.5.13.   EEA4 Detail Report Explained

The below comparison explains the connections between the two tabs on the EEA4 Detail Report.

EEA4 DETAIL REPORTS		
COLUMN / FIELD	Tab 1	Tab 2
Frequency	N/A	The name of the Frequency will return.
Employee Number	N/A	The employee's Employee Number will return.
First Name	N/A	The employee's First Name will return.
Last Name	N/A	The employee's Last Name will return.
Component Name	N/A	The specific component name will return.
Remuneration Type	Used to determine if the values will be considered as **Fixed / Guaranteed** or **Variable** in Tab 1 and on the main report.	The description for the Remuneration Type will return. The four types are discussed above on page 9.
YTD Value	N/A	The total **payslip values** for the reporting cycle will return per component. Payslip values on interim runs are considered. These values are to assist with reconciling with other payroll reports.
Periods Worked For EEA Purposes	N/A	The number of pay periods within the reporting cycle where there is a payslip with a net pay greater than zero. Weekly companies will return the number of weeks, and fortnightly companies will return the number of fortnights. Interim pay runs and

		take-on runs are not counted. An interim run will only be counted if there is no main run in that month.
Periods In The EEA Year	N/A	The report should be generated for a 12-month period. Monthly frequencies will return 12, weekly frequencies will return 52 or 53, and fortnightly frequencies will return 26 or 27.
Annualised Amount	The total of the **'Fixed / Guaranteed'** and **'Fixed / Guaranteed Periodic'** Remuneration Types will return in the **Fixed / Guaranteed Remuneration** column on Tab 1. The total of the **'Variable'** and **'Variable Periodic'** Remuneration Types will return in the **Variable Remuneration** column on Tab 1.	The YTD value will return if the employee's Periods Worked equals the Periods in the EEA year. If not, the below calculation will take place: Annualised Amount = (YTD Value / Periods Worked for EEA Purposes) * Periods in the EEA Year. Periodic remuneration will not be annualised.
Annualised	N/A	Indicates if the remuneration was annualised. If the 'Periods Worked For EEA Purposes' does not equal the 'Periods In The EEA Year', then a **'Yes'** will be returned. Refer to *2.7 Additional Considerations* for more information.
Comment	N/A	Indicates if the record is excluded, consolidated, or if it's the latest record. If the employee was transferred and the 'Periods Worked For EEA Purposes' equals the 'Periods In The EEA Year', then **'Consolidated'** will return. If the employee was transferred between different frequency pay cycles or the records cannot be consolidated, then the old record will return **'Excluded - Refer to the latest record'** and the new record will return **'Latest record'**.

2.6. EEA2 & EEA4 Detail Report Examples

The EEA2 and EEA4 Detail Reports provide the information per employee that will be applied in the EEA2 and EEA4 Reports.

An Extract of the EEA2 Detail Report

EEA2 Detail Report

Company :

Employment Equity Reference Number :

Run on :

Reporting Cycle : 01/01/2023 to 31/12/2023

Frequency	Employee Number	First Name	Last Name	Occupational Level	Employment Status	Gender	Race	Disability Type	Foreign National	Group Join Date	Employment Date	Statutory Employment Date	Termination Date	Transferred	Custom Field to Exclude from the EEA Report	Exceptions Not Reported On	Workforce Profile	Recruitment	Promotion	Termination	Skills Development
Monthly				Top management	Permanent	Female	White	None	No	2021/01/01	2021/01/01	2020/06/01			No	No	Yes	No	No	No	No
Monthly				Top	Temporary –	Female	White	None	No	2021/01/01	2021/01/01				No	No	Yes	No	No	No	No

An Extract of the EEA4 Detail Report | Tab 1

EEA4 Detail Report

Company :

Employment Equity Reference Number :

Run on :

Report Generated for : 01/01/2023 to 31/12/2023

Frequency	Employee Number	First Name	Last Name	Occupational Level	Employment Status	Gender	Race	Foreign National	Group Join Date	Employment Date	Statutory Employment Date	Termination Date	Transferred	Custom Field to Exclude from the EEA Report	Exceptions Not Reported On	Fixed / Guaranteed Remuneration	Variable Remuneration	Total Remuneration
Monthly				Top management	Permanent	Female	White	No	2021/01/01	2021/01/01	2020/06/01			No	No	504607	0	504607
Monthly Small				Senior	Permanent	Female	White	No	2021/01/01	2023/11/01				No	No	544320	0	544320

An Extract of the EEA4 Detail Report | Tab 2

Frequency	Employee Number	First Name	Last Name	Component Name	Remuneration Type	YTD Value	Periods Worked For EEA Purposes	Periods In The EEA Year	Annualised Amount	Annualised	Comment
Monthly Small					Fixed / Guaranteed	3000.00	2	12	18000.00	Yes	Latest record
Monthly Small					Fixed / Guaranteed	1720.00	2	12	10320.00	Yes	Latest record
Monthly Take On					Fixed / Guaranteed Periodic	450.00	3	12	450.00	No	Excluded - Refer to the latest record
Monthly Take On					Fixed / Guaranteed	129000.00	3	12	516000.00	No	Excluded - Refer to the latest record
Monthly Small					Fixed / Guaranteed	1880.00	2	12	1880.00	No	Consolidated
Monthly					Fixed / Guaranteed	329000.00	7	12	329000.00	No	Consolidated
Monthly Take On					Variable Periodic	5000.00	3	12	5000.00	No	Consolidated

2.7. Additional Considerations

REINSTATEMENTS & TRANSFERS		
ACTION	**EEA2 DETAIL REPORT**	**EEA4 DETAIL REPORT**
Reinstate | Resuming This Record • 1 Employee Record • 1 Tax Record	One record will be returned in the report.	If the record is active, it will be returned to calculate the total annual remuneration.
Reinstate | Starting a New Record • 1 Employee Record • 2 or more Tax Records	**One record** will therefore display in the report, the tax records within the reporting period will be **consolidated.** The following information will be derived from the most recent record: • Occupational level • Foreign national • Employment status • Disability type • Gender • Exclude from the EEA Report • Race	The following information will be derived from the most recent record: • Foreign national • Disability type • Exclude from the EEA Report
	Both records will be considered to indicate a **promotion** and **skills development**.	The values on the **most recent tax record** will be annualised to calculate the total remuneration.
Transfer | To a New Frequency The employee was **active** for the full reporting year. • 2 Employee Records • 2 or more Tax Records	Both Employee records will return on the report. The original employee record will indicate a **'Yes'** in the **Transferred** column. Both records will be considered for **promotions** and **skills development,** however, the employee is only counted once and is indicated on the new record.	If the consolidated **Periods Worked** do **equal** the **Periods in The EEA Year** then the **tax records** will not be annualised. The new and original employee records will return on the Detail report, however, the records will be **consolidated** on the main EEA4 Report. The **Annualised** column on tab 2, will return a **'No'** on both records.
Transfer | To a New Frequency The employee was **not active** for the full reporting year. • 2 Employee Records • 2 or more Tax Records		If the consolidated **Periods Worked** do **not equal** the **Periods in The EEA Year** then the **most recent tax record** will be annualised to calculate the Total Remuneration. This Total Remuneration will return on the EEA4 Report. The original employee record will remain on the Detail report, however, it will not be considered in the main report. The **Annualised** column on tab 2, will return a **'Yes'** on the active record, and a **'No'** on the old record.
Transfer | To a Frequency with a different pay cycle (e.g. from weekly to monthly) • 2 Employee Records • 2 or more Tax Records		The **most recent tax record** will be annualised to calculate the Total Remuneration. Both employee records will return on the Detail report, however, only the active record will return in the main report. The **Annualised** column on tab 2, will return a **'Yes'** on the active record, and a **'No'** on the old record.

2.7.14. Notes and Tips

- Only permanent (the '**permanent**' and '**temporary deemed to be permanent**' employment statuses) employees need to report on occupational levels.

- A company setting can be activated to generate a run error if no Position record was generated for the employee on the Position Screen.

- Before starting the reconciliation process, apply a filter to the '**Exceptions Not Reported On**' column on the detail reports, to **exclude** the employees flagged as '**Yes**'.

- There is no validation between the fields, **Group join date** on the Tax Profile Screen and the **Employee status** on the Position Screen, to establish if the employee has worked less than three months (temporary employees).

- There is no validation between the fields, **Citizenship** and **Foreign National**. The checkbox field, Foreign National, is the only indicator that marks an employee as a Foreign National for Equity.

- If the '**Is this a promotion?**' field was selected multiple times on an employee's record, it will only be counted **once** in **Table 3 Promotion**.

- If the employee was employed and resigned during the reporting cycle, the employee will be included in both **Table 2 Recruitment** and **Table 4 Termination**.

- Regardless of whether the employee is excluded from the EEA4 Report or not, you will be able to filter on all employees when accessing Tab 2 on the EEA4 Detail Report. The purpose of **Tab 2** on the EEA4 Detail report is therefore only to clarify an individual employee's remuneration. To balance the EEA4 Report, apply the filters on **Tab 1**.

- If there are employees that are flagged as '**Excluded – Refer to the latest record**' on Tab 2, these employees must be removed from Tab 1 before reconciling.

- If the employee was employed and terminated multiple times (terminated twice or more on the Tax Profile) within the reporting cycle, the employee will be excluded from **Table 2 Recruitment**.

- If an employee joined the company in a **previous** equity year and is terminated and **reinstated starting a new record** in the **current** equity year, the employee should be reported on in **Table 2 Recruitment** based on the start date of the most recent period of employment, **provided the employee is not terminated** on or before the last day of the reporting cycle. In this scenario, it is therefore important to process the new start date in the **Statutory Employment Date Override** on the **active record** to ensure the employee is included as a recruit.

- If an employee is terminated on the Tax Profile Screen and the '**Transferred to another branch'** termination reason is selected, it will be considered as terminated, not transferred. For an employee to be recorded as transferred, there needs to be a **Transferred Record** on the Transfer History Screen.