

Comments in support of the Employment Equity Amendment Bill, 2026

Honourable T Didiza MP

Speaker of the National Assembly

Parliament of the Republic of South Africa

By email: speaker@parliament.gov.za; info@fairpaybill.co.za

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Dear Honourable Speaker

Just Share comments in support of the Employment Equity Amendment Bill, 2026

1. Introduction

- 1.1. Just Share NPC welcomes the opportunity to comment in support of the Employment Equity Amendment Bill, 2026 (“the Bill”). As a shareholder activism organisation focused on corporate accountability, inequality, and responsible investment, our interest in this Bill arises from our recognition that pay transparency is a critical mechanism for advancing substantive equality, reducing unjustified wage disparities, and strengthening accountability within labour markets and corporate remuneration practices.
- 1.2. In our work engaging listed companies, institutional investors and policymakers on issues of fair pay, workplace transformation and economic inequality, we have consistently observed that opaque remuneration systems often conceal structural disparities relating to race, gender and occupational hierarchy, making it difficult for workers, shareholders and other stakeholders to meaningfully assess whether organisations are upholding the principle of equal pay for equal work or work of equal value.
- 1.3. The Bill represents an important and necessary intervention to strengthen the implementation of the principle of equal pay for equal work or work of equal value in South Africa; advances the constitutional rights to equality and fair labour practices; strengthens the objectives of the Employment Equity Act (“EEA”); and aligns South Africa’s labour framework with evolving international labour and governance standards relating to pay transparency, remuneration equity and non-discrimination.
- 1.4. The Bill is particularly significant because it addresses two structural drivers of persistent pay inequality: (1) the lack of remuneration transparency in recruitment and employment practices; and (2) the continued reliance on salary-history information during recruitment processes. These practices often reproduce and entrench historical discrimination, particularly against designated groups.





2. The Bill strengthens the constitutional and legislative commitment to equality and fair labour practices

- 2.1. The memorandum to the Bill expressly acknowledges that promoting "fair pay", "pay equity" and "equal pay" in recruitment processes is consistent with the constitutional imperatives of equality and fair labour practices. In doing so, the Bill gives practical effect to section 23(1) of the Constitution, which guarantees the right to fair labour practices, and section 9, which enshrines the right to equality and protection against unfair discrimination.
- 2.2. The Bill must also be understood within the broader historical and legislative context of the principal Act (Employment Equity Act 55 of 1998) ("the EEA"). The preamble to the EEA explicitly acknowledges that apartheid and discriminatory labour practices created entrenched disparities in employment, occupation and income, and that such disparities cannot be remedied merely by repealing discriminatory laws. The EEA therefore seeks to:
 - a. eliminate unfair discrimination in employment;
 - b. implement employment equity measures;
 - c. achieve a diverse and representative workforce; and
 - d. give effect to South Africa's obligations as a member of the International Labour Organisation ("the ILO")
- 2.3. The Bill appropriately strengthens these objectives by introducing enforceable remuneration transparency measures and prohibiting salary-history discrimination in recruitment and appointment practices.

3. Pay transparency is essential for advancing pay equity

- 3.1. The Bill's introduction of remuneration transparency obligations is both necessary and progressive. Proposed section 6A requires employers to determine remuneration or remuneration ranges for jobs and positions during job classification, grading and evaluation processes and to disclose remuneration ranges when advertising, recruiting, appointing, promoting or transferring employees.
- 3.2. These provisions are important because unequal pay frequently persists in environments characterised by opaque remuneration systems, discretionary pay-setting and information asymmetries between employers and employees. Where



workers and applicants are unaware of applicable pay bands, disparities can remain hidden and difficult to challenge.

- 3.3. The ILO emphasises that pay transparency measures are key to exposing discrimination, strengthening accountability and enabling workers and employers to take corrective action.¹ The ILO further recognises pay transparency legislation as an emerging and innovative policy instrument, designed to address gender pay gaps and structural inequalities in labour markets (ILO, 2022, pp. 5–7).²
- 3.4. Similarly, the Organisation for Economic Co-operation and Development (OECD) argues that pay transparency measures provide workers, employers and regulators with the information necessary to identify, assess and challenge unjustified pay disparities within firms.³ The OECD further notes that operationalising the principle of equal pay for work of equal value requires structured and objective remuneration systems based on gender-neutral criteria such as skills, effort, responsibility and working conditions⁴
- 3.5. The Bill supports precisely this approach. By requiring employers to establish remuneration ranges linked to job evaluation and classification processes, the Bill promotes more objective, transparent and consistent remuneration practices. This makes it easier to identify unjustified disparities early and to ensure that remuneration decisions are linked to the value of the role rather than arbitrary or discriminatory considerations.
- 3.6. Importantly, pay transparency also reduces information asymmetries in labour markets. The memorandum to the Bill correctly recognises that vague references to “market-related” or “competitive” salaries provide employers with an informational advantage that can be used to underpay applicants, particularly those from historically disadvantaged groups.

4. Prohibiting salary-history enquiries is necessary to prevent historical discrimination from being perpetuated

- 4.1. The Bill’s prohibition on enquiring into or relying on past or current remuneration information during recruitment processes is a necessary and justified intervention.

¹ International Labour Organization (ILO). (2022). Pay transparency legislation: Implications for employers’ and workers’ organizations. p. vi.

² Ibid. pp. 5-7.

³ Organisation for Economic Co-operation and Development (OECD). (2026). Pay transparency in progress: Valuing jobs, closing gender pay gaps. pp. 8-11.

⁴ Ibid.



- 4.2. This provision is particularly important in the South African context because historical wage discrimination remains deeply embedded within labour market structures. The memorandum to the Bill correctly notes that the use of past remuneration information disproportionately disadvantages black people, women and persons with disabilities because prior remuneration may already reflect discrimination and structural inequality.
- 4.3. Where employers anchor future remuneration to historically depressed wages, discrimination becomes cumulative and self-perpetuating. Employees who were previously underpaid remain trapped in lower wage trajectories across successive employment opportunities. The Bill therefore appropriately shifts remuneration determination away from discriminatory historical benchmarks and towards:
- the objective value of the role;
 - organisational remuneration frameworks;
 - internally consistent pay bands;
 - skills and competencies relevant to the position; and
 - gender-neutral job evaluation criteria.
- 4.4. The OECD similarly notes that salary transparency prior to employment is increasingly recognised internationally as an important mechanism for improving pay equity and reducing discriminatory wage-setting practices.⁵

5. The Bill aligns South Africa with international labour obligations and comparative global developments

- 5.1. The Bill is also significant because it explicitly aligns the interpretation of the EEA with South Africa's international law obligations. Clause 2 amends section 3 of the EEA to require interpretation consistent with:
- ILO Convention No. 100 concerning Equal Remuneration; and
 - ILO Convention No. 111 concerning Discrimination in Respect of Employment and Occupation.
- 5.2. This amendment is important because equal remuneration is a well-established international labour standard. The ILO states that equal pay for work of equal value is a fundamental principle recognised in the:

⁵ Ibid. p. 11.



- 5.3. The Bill is also aligned with emerging international best practice on pay transparency. The European Union Pay Transparency Directive expressly recognises that a lack of transparency allows gender-based pay discrimination to remain hidden and difficult to prove.⁶ The Directive therefore seeks “to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms”.⁷
- 5.4. The Directive further explains that increased transparency enables workers, employers and social partners to identify discrimination and take corrective action to enforce equal pay rights.⁸
- 5.5. The Bill’s proposed reforms for South Africa are therefore consistent with evolving international standards and comparative regulatory developments across OECD and EU jurisdictions.

6. The Bill strengthens the preventative dimension missing from the current EEA4 system

- 6.1. The Bill also strengthens an important preventative dimension that is currently underdeveloped within South Africa’s employment equity framework. The existing EEA4 reporting framework already recognises that remuneration disparities must be capable of transparent assessment across race, gender and occupational levels in order to identify and address structural inequality. In this regard, the framework reflects an acknowledgement within the Employment Equity Act that remuneration inequality is a matter of public and regulatory concern.
- 6.2. However, the EEA4 framework is largely retrospective and diagnostic in nature. It primarily identifies remuneration disparities after they have already materialised within workplace remuneration structures. In practice, this means that the framework often addresses inequality only once discriminatory or unjustified pay patterns have become embedded within organisations. Furthermore, EEA4 reports are not publicly accessible, which limits broader transparency, accountability and stakeholder scrutiny regarding workplace remuneration disparities.
- 6.3. In this regard, the Bill moves the Employment Equity framework from a predominantly retrospective reporting model toward a more proactive and preventative equality framework. Rather than relying primarily on ex post identification of disparities, the Bill introduces mechanisms aimed at reducing the

⁶ European Union. (2023). *Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms*. p. 22.

⁷ Ibid. p. 21.

⁸ Ibid. p. 22.



likelihood that unjustified remuneration inequalities emerge and become entrenched over time.

- 6.4. This preventative approach is also aligned with international developments on pay transparency regulation.

7. The Bill is consistent with evolving corporate governance expectations

7.1. The Bill is further aligned with modern corporate governance principles that emphasise ethical leadership, accountability, legitimacy and sustainable value creation. King V Code on Corporate Governance emphasises that sound governance should result in ethical culture, legitimacy, performance and prudent control.⁹

7.2. Transparent and equitable remuneration systems are increasingly recognised as central components of responsible corporate governance. Remuneration transparency:

- strengthens accountability;
- promotes organisational legitimacy;
- improves trust within workplaces;
- reduces arbitrary remuneration practices; and
- supports more ethical and inclusive organisational cultures.

7.3. In this regard, the Bill supports broader governance objectives relating to fairness, transparency and responsible value creation.

8. Conclusion

8.1. The Employment Equity Amendment Bill, represents a necessary and progressive reform that strengthens the practical implementation of equal pay for equal work or work of equal value in South Africa. By promoting remuneration transparency and prohibiting salary-history discrimination, the Bill advances substantive equality within labour markets and addresses structural drivers of race- and gender-based wage inequality.

- The Bill gives meaningful effect to:

⁹ Institute of Directors in South Africa (IoDSA). (2025). King V Code on Corporate Governance for South Africa 2025. pp. 1-3.



- the constitutional rights to equality and fair labour practices;
- the objectives of the Employment Equity Act;
- South Africa's international labour obligations; and
- emerging international best practice on pay transparency and remuneration equity.

For these reasons, the Bill should be strongly supported as an important mechanism for advancing fairness, accountability and pay equity within South Africa's labour market.

Yours faithfully

JUST SHARE

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