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Should you require any further information on any of these topics, please contact us at [info@hrtorque.co.za](mailto:info@hrtorque.co.za).

### 1) Health4Me: An effective medical aid alternative for your employees

**Author: Karen van den Bergh**

It has been a terrible two years with Covid, riots, floods, increasing fuel and food costs... and now our medical aid premiums have increased as well. As a result, several of our staff could no longer afford the cost of a comprehensive medical aid. I decided to try and find the best product that not only helped our staff and our business, but also provided a practical solution that eliminated the need for them to wait for hours at their local clinic, whether to get treatment or to collect their monthly chronic medication.

After thoroughly assessing the market, a Momentum product called Health4Me ticked almost all the boxes for our staff. We've been using it for the past two and a half years, and it's resulted in improved staff wellness and helped many of our employees with chronic conditions.

From an administrative perspective, there is a user-friendly portal to manage the monthly contributions and the balancing to payroll and debit order, a process which HRTorque could quickly and easily manage for you as well.

#### **Here is a quick product overview:**

On the Gold Standard package (which HRTorque subscribes to), employees get the following day-to-day benefits:

- Access to a GP, which in our case is only 1 km from our office. When the onboarding is done the service provider locates a GP that is easily accessible and suitable for your staff. Alternatively, employees locate their nearest GP from the service provider list.
- Access to an online 24/7 "Hello Doctor" app/service
- Access to specialists when referred
- Acute medication
- Chronic medication (which gets delivered to our office monthly from a pharmacy)
- HIV benefits
- Covid-19 screening
- Basic pathology
- Basic radiology
- Maternity benefits

- Flu vaccinations
- Health assessments
- Employee assistant programme

To give you an idea of cost, here are some real-life examples.

One of my staff members is a single mother with two children. Her premium is R600 a month for this day-to-day cover. Another staff member has her husband, two children and herself on day-to-day cover at a cost of R900 a month, while a single member costs R300 a month.

Then, there is optional insurance cover for major medical events, such as accident and emergency cover, hospital cash and maternity lump-sum benefits, and funeral benefits. These premiums are also very reasonable.

If members have regular health check-ups and maintain their healthy heart score, they get benefits from the More4Me rewards programme. These benefits include the accrual of monthly airtime or data to their cell phones, or a grocery voucher from Checkers.

This product has made a significant difference in the lives of our employees. We have an annual wellness day, and our Momentum representative updates our staff annually on the product rules and benefits. This ensures that we get the maximum benefit for our contributions.

As we're always looking for ways to improve our services and solutions, and the fact that we get so many queries in this space, we have asked Momentum to provide a resource to share the product with our clients. Our Momentum Health4Me client liaison is always happy to arrange a Teams or Zoom meeting to explain the product to a group, while our roll-out team in Durban can also assist. We have Zulu speakers in our team to support clients where English is not the group's first language.

We're incredibly excited about this product! If you feel it could be a solution to your employees' challenges in the medical services space, please [contact us](#) for more information.

## 2) Maternity leave and unfair discrimination

**Author: Nicky Hardwick**

In South Africa, female employees are entitled to four months off when they give birth to their baby. This luxury is not afforded to a person who has not actually carried and given birth to their baby – and it is now being challenged in the High Court.

Werner van Wyk applied to his employer for four months off to care for his newborn child as his wife had to return to running her two businesses. This request was denied by the employer.

Mr. van Wyk has filed a case with the High Court requesting that Sections 25 (maternity leave) and 26 (protection of employees before and after the birth of a child) of the Basic Conditions of Employment Act be made unconstitutional, as they unfairly discriminate against fathers of newborn children. The Act, and specifically these sections, refer to females who have given birth, and thereby limit the rights of those who have not given birth or are unable to give birth.

This discrimination extends to same-sex couples, couples adopting, as well as those who have entered into a surrogacy agreement. In all instances, these individuals will receive substantially less time off to care for their newborn child.

In 2015, a same-sex couple entered into a surrogacy agreement and one of the parents applied for maternity leave, which was declined. This was referred to court, in which the plaintiff stated that he had been refused leave because he was not the biological mother. The Labour Court ruled that maternity leave is not linked solely to the welfare of the mother but also to what is best for the child. In this case, the Labour Court ruled that the maternity leave policy of the employer was unfair, and directed the employer to amend their policies and pay the employee his four months of maternity leave. The Labour Court acknowledged that the Basic Conditions of Employment Act would need to be amended and this new case may put this into motion, but that it will take time.

In the meantime, it is important that employers review their own policies – especially where you offer paid time off – to ensure that you are applying the benefits fairly, regardless of whether the person was or was not able to give birth to the child.

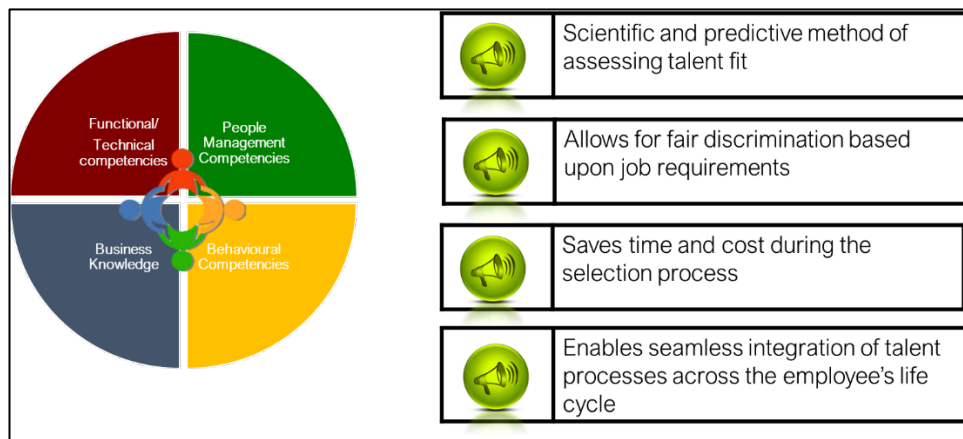
If you are in need of a helping hand, HRTorQue can assist with the development of policies or the review of your current practices. Email us on [info@hrtorque.co.za](mailto:info@hrtorque.co.za) for more information.

### 3) Psychological assessment within the corporate environment

**Editor's comment:** Over the past few months, we have been running a series of articles by PTES Consulting's Celia Denton, our go-to expert for professional psychometric testing services. Here, Celia takes a closer look at the benefits of psychological assessments, as well as some handy guidelines to keep in mind.

**Author: Celia Denton (PTES Consulting)**

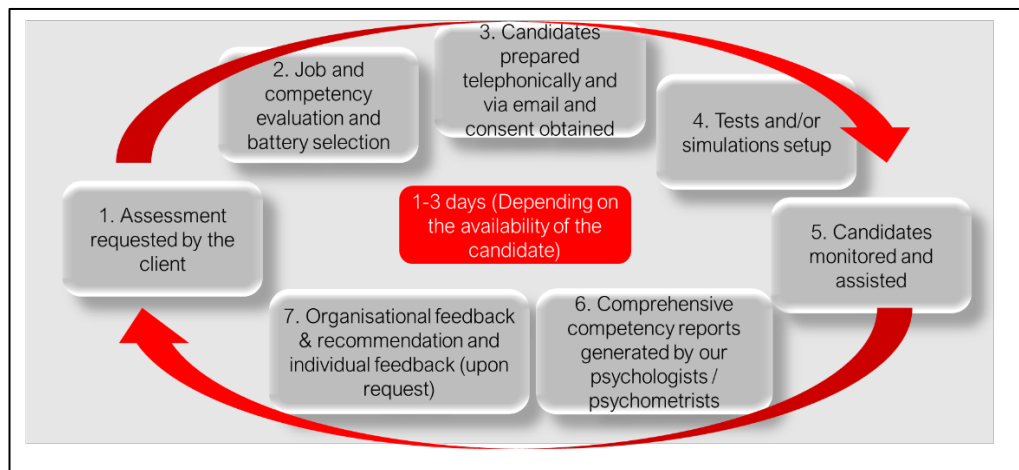
South African psychometric assessments are registered with the HPCSA and administered by accredited and registered psychologists. PTES uses South African developed assessments that are language and culture friendly.



Psychometric testing assesses one's functional or technical competencies, people management competencies, business knowledge and behavioural competencies. It is a holistic approach that logically assesses talent fit, allows for fair discrimination based on job requirements, saves time (and therefore costs) during the selection process, and assists in the seamless transition of new hires.

#### PTES Consulting's psychometric assessment process

Below is a diagram outlining our assessment cycle, one which most organisations follow. It takes approximately three days to complete, with the report and results produced as soon as the candidate completes the assessment.



## HPCSA guidelines and ethical principles

According to Nel, 1994, psychological assessment is so deeply rooted in the global education and personal selection systems, and in the administration of civil and criminal justice, that South African parents, teachers, employers, work seekers and lawyers, will continue to demand detailed psychological assessments.

It also continues to aid decision making, provided that it is used in a fair and ethical manner by responsible practitioners – Foxcroft, Paterson, Le Roux and Herbst, 2004.

The Employment Equity Act No. 55 of 1998 (Section 8) refers to psychological tests and assessments specifically, and states that psychological testing and other similar forms or assessments of an employee are prohibited unless the test or assessment being used:

- Has been scientifically shown to be valid and reliable
- Can be applied fairly to all employees
- Is not biased against any employee or group

If you are in need of a tried, tested and trusted psychometric solution for your staff, then look no further. Contact us on [info@hrtorque.co.za](mailto:info@hrtorque.co.za) for more.

### 4) Are you taking too much time to capture your time?

**Author: Daniel Dinnie (TimeGuard)**

For many companies, the answer is YES! Just think what else you could be doing instead.

Let me give you an example.

One of our clients used to take 20 hours a month processing their hours and capturing them into payroll. Once we installed our system into their factory, they reduced it to four hours, saving themselves 16 hours a month.

That is two days a month that you could be focusing on something else instead.

At HRTorQue, we can help you get started with a holistic Time and Attendance solution, from onsite installation of biometric devices at your premises right up to the integration with your payroll system. Most importantly, we can help you save both time and money! Email us today on [info@hrtorque.co.za](mailto:info@hrtorque.co.za) for a free demo and quote.

### 5) Travel allowances: The tax audit risks

**Author: Dave Beattie**

For years, SARS has been concerned about the tax leakage that has occurred in the travel allowance space. It is one of the few remaining areas where taxpayers can achieve a significant tax saving and because of this, it is the area where we see the most legislative non-compliance.

Recently, SARS has once again been threatening to make changes in this space, with the doing away of travel allowances being mooted. SARS would prefer all employee business travel to be reimbursed according to the current travel reimbursement process. This would be easier to manage from a SARS perspective as the responsibility to ensure legislative compliance would rest on the employer. Auditing any claims and the recovery of any tax shortfall identified would be significantly easier if the employer was the responsible party.

With SARS flexing their muscles again, you can be sure that there is going to be an additional audit focus on this issue. As an employer, how confident are you that your travel allowance scheme is legislatively compliant? With an obligation on the employer to apply the legislation correctly and to correctly deduct tax, there is pressure to get this issue right.

During the employees' tax reviews that we do, we have noticed that many employers are still ignoring the fact that SARS does not accept the principle of travel allowances being allocated based on employment grade or a percentage of total cost to company. SARS applies the logic that travel allowances should only be paid to those employees who are expected to use their own vehicles for business purposes, and that the amount of the allowance be based on the expected business-related expenditure. In a nutshell, there must be a logical approach to the allocation of a travel allowance. This approach must include a justification of the travel allowance value before it is contractually accepted and processed through the payroll. It is also recommended that a company draft a policy clearly explaining how they deal with the travel allowance issue. This policy would carry a lot of weight at the audit stage.

It is important that employers do not take unnecessary risks when offering salary structuring flexibility to a prospective or current employee. Take a look at the salary structures of your staff while keeping in mind the issues we have raised above. If you have any questions, or are uncertain and require an opinion on their legality, please reach out. We would love to assist! Chat to Dave on 031-5827410 or [dave@hrtorque.co.za](mailto:dave@hrtorque.co.za).

## 6) Understand your people with the Big Five Personality assessment

**Author: Celia Denton (PTES Consulting)**

Understand the Big Five Personality assessment and you will be one step closer to knowing your people, what drives them and how to get the most out of them.

Researchers have identified four groupings, namely the resilient personality type, the strained personality type, the over-controlled personality type and the under-controlled personality type.

### The resilient personality

Research has found that resilient individuals are low on neuroticism, high on agreeableness, extraversion, conscientiousness and openness to experience, are more resilient in nature, accept job demands and use their resources (Oshio, Taku, Hirano & Saeed, 2018). Additionally, these personality types are highly likely to respond more positively to autonomy and variety at work, fair treatment and peer support.

### The strained personality

According to the Big Five personality model, the strained personality type is defined as low on agreeableness and average on neuroticism, extraversion, conscientiousness and openness to experience. These personality types view their job demands as higher than the other personality types. They are characterised as egotistic, irritable and competitive, because job demands are in the way of their own, individualistic and self-centred goals (Herr et al., 2021). This personality group may even experience normal job demands as particularly taxing, because of their own limited conscientiousness and openness to experience. They experience strain because the goal pursuit is for themselves and not for those that they are working for or with.

### The over-controlled personality

The over-controlled personality type is described as high on neuroticism, low on extraversion, and average on conscientiousness, openness to experience and agreeableness. They view their job demands as high and perceive their resources to be limited, which affects their own happiness, work engagement and general well-being (Janssens, De Zutter, Geens, Vogt & Braeckman, 2019; Wilmot, Wanberg, Kammeyer-Mueller & Ones, 2019).

### The under-controlled personality

Under-controlled personality types are typically low on extraversion, openness, agreeableness and conscientiousness, while being high on neuroticism. They are often described as individuals with the lowest level of work engagement and the worst mental health. They see their job demands as very high with low resources to do it. Low on agreeableness suggests low unity and cooperation, while low conscientiousness suggests low achievement drive. This combination has a significant negative impact on interpersonal engagements and teamwork (Herr et al., 2021). Additionally, research shows that personality groups high on neuroticism and low on extraversion are

predisposed to be unhappy with their jobs. Consequently, individuals with this personality type are highly likely to report less optimal working conditions from their perspective. Lower job demands will therefore be necessary to improve their mental health.

If you are looking to get to know your staff better, we can assist you with a simple personality questionnaire or more in-depth, psychometric testing. Get in touch with one of our HR specialists on [info@hrtorque.co.za](mailto:info@hrtorque.co.za), and we'll put together a solution tailored to your unique requirements.

## 7) New legislation on workplace harassment

**Source: African OSH August Magazine, <https://safety1st.co.za/african-osh-august-2022/>**

When new legislation is implemented, it is crucial for businesses and employees to understand how it will impact them and influence future practices. At the beginning of July, John Botha, CEO of Global Business Solutions, led a webinar hosted by the Temporary Employment Services Division (TESD), to unpack the latest placing of harassment in the Employment Equity Amendment Act.

The TSED initiated the webinar to drive awareness on the full scope of harassment in the workplace, and encourage a proactive approach to supporting the modern labour force. The webinar highlighted the need to take a proactive approach, be aware of the extended definitions and types of harassment, consider how it applies to race, gender, disability and Lesbian, Gay, Bisexual, Transexual, Queer and others (LGBTQ+), as well as revising all related company policies. Businesses should rightfully be spending significant time and energy to ensure compliance with new legislation. It is a priority not only from a legal perspective, but also from a civil one.

### Unacceptable behaviours

Botha stressed that individuals can be held criminally liable if they do not actively avoid behaviours in the workplace that fall under harassment. This means watching not only what employees say and do, but also what is posted and shared on social platforms.

It comes as no surprise that sexual remarks and inappropriate advances fall under harassment. However, many are unaware that constant criticism, abusive language, humiliation and ostracising actions towards an individual also constitutes harassment and has serious consequences, according to the latest legislation.

Employers should regard all forms of harassment as unfair discrimination that constitute a barrier to equity and equality in their company. "There is no hierarchy between physical, psychological, emotional and sexual abuse," emphasises Botha.

In the modern workspace, it is no longer business as usual. Employers must utilise emotional intelligence to support a younger and more diverse labour force. Millennials, born between 1981 and 1996, are currently the largest living generation. The millennial employee will make up 75% of the workforce by 2025, and has different needs compared to previous generations.

Business owners need to create a culture that makes their workers feel part of a team, accepted, heard and respected.

Psychological safety is an essential part of management skills and needs to be implemented. The onus is on employers to have a solid harassment procedure and employees need to know about it. It is unacceptable in any workplace for temporary or permanent employees not to know how, and to whom, workplace sexual harassment must be reported. Expert advice and counselling must be given, and steps taken to eliminate any form of harassment.

Any unacceptable conduct must immediately be brought to the employer's attention. The complaint must then be confidentially investigated by consulting the relevant parties. Complainants must be formally or informally informed (depending on the gravity of the incident), and the perpetrator must be approached.

If necessary, external recourse must be followed with the Commission for Conciliation, Mediation and Arbitration (CCMA), Labour Court and Equality Court (PEPUDA). Employers must have clear channels implemented where employees can report misconduct. Companies must have a no-tolerance policy towards harassment, not only to promote a successful business but also to contribute towards bettering our communities.

At HRTorQue, we offer specialist high-level consulting to help you with any workplace harassment challenge you may be experiencing. [Email us](#) for more information.

## 8) Make the move away from printed payslips and reports

**Author: Steven Richman**

Being a payroll outsource bureau allows us to observe and analyse various trends in the industry. One that has been gaining momentum in recent years has been the shift to cloud-based payroll platforms, resulting in a move away from printed reports and payslips.

Many organisations, however, are still wary to make the change, and continue using printed media for various reasons. Over the years, we've noted a number of shortfalls associated with this:

- The distribution process of printed payslips and reports is often a manual one, making it an administrative burden that carries an associated cost.
- Increases in crime in South Africa mean that the transportation of printed media between sites within larger organisations increases the risk of the data falling into the wrong hands. This can create a POPIA issue for the organisation as payslips and reports contain private and confidential information about the staff and the company.
- Storage of printed copies of reports and payslips need to be secure, and over the years, depending on the size of the organisation, the space required to keep printed copies can become substantial.
- The administration behind maintaining five or more years of printed reports, payslips and tax certificates can be time consuming and costly.

So, what are the options available to employers who want to make the move away from printed media? Investing in a modern, cloud-based payroll software is the answer, because it gives employers a number of different options.

### 1. Emailed payslips

Most cloud-based payroll systems allow for the emailing of payslips and reports directly from the system to a specific user or employee. This means:

- Payslips, tax certificates and reports are encrypted and can be password protected when being sent to an employee.
- Emails can be sent out at a specific time and arrive in the employee's inbox within minutes of being sent.
- Employees have the ability to store their payslips and tax certificates, and in doing so remove the need to request copies from their HR team.

### 2. Employee and manager self-service portals (ESS)

New payroll systems offer employee self-service portals, allowing employees to access their own data 24/7 via a smart phone, tablet or PC. Access is gained by a web browser such as Google's Chrome, Firefox or MS Edge, and in some cases, via an app that can be downloaded to your device. This means:

- Employees can gain access to current and historical payslips and tax certificates at the touch of a button.
- Your organisation can move onto an online leave management process which allows employees to upload and store sick notes electronically against the application.



- Your company can move onto an online reimbursement claims process and gain the added benefit of an online repository for receipts. This repository can be referenced in the event of a SARS audit if required.
- Employees can begin managing their emergency contact information and managers can gain access to it onsite rather than needing to contact their HR team.
- ESS systems offer various other features, such as online appraisal processes and access to company policies, empowering managers and staff by giving them access to data and tools, and increasing the overall productivity in your organisation.

So, how do you take advantage of one or all of these options? Easily! All you need is an email address for every employee, either issued by your company or a personal email address. Email accounts are readily available at no additional charge to a private individual and are quickly becoming the preferred method of communication for many organisations.

If you would like to make the move to a paperless payroll process, give our ESS support team a call today. Our payroll consultants are on hand to assist you throughout the process, and can also arrange a demo if you would prefer.

[Email us](#) for more information.

## 9) Zimbabwe: Mid-term budget speech and the Finance Bill, 2022

Source: CRS [www.crs.co.zw](http://www.crs.co.zw)

It is important that employers note the following:

### **Finance Bill, 2022 finalised to incorporate tax changes with effect 1 August 2022**

Following the mid-term budget speech of 28 July 2022, the Finance Bill, 2022 was finalised and gazetted on 26 August 2022.

This Finance Bill, 2022 will amend the Finance Act [Chapter 23:04], the Income Tax Act [Chapter 23:06], the Value Added Tax Act [Chapter 23:12], the Capital Gains Tax Act [Chapter 23:11], the Customs and Excise Act [Chapter 23:02] and the Revenue Authority Act [Chapter 23:11].

These amendments will give effect to certain fiscal measures mentioned by the Minister of Finance and Economic Development in the budget speech.

Employers should note that these changes have not yet been enacted and should be deployed at their own discretion.

### **Individual taxation highlights**

- Effective from 1 August 2022, the monthly PAYE tax-free threshold for employees has increased to ZWL\$ 50,000.00.
- The tax bands have also been adjusted to end at ZWL\$ 12,000,000.00 per annum. The 40% marginal rate will be applicable to income above ZWL\$ 1,000,000.00 per month.
- The new thresholds and rates, as set out below, are applicable from **1 August to 31 December 2022**.
- The local currency bonus tax-free threshold has been increased from ZWL\$ 100,000 to ZWL\$ 500,000, with effect from **1 November 2022**.
- The foreign currency threshold remains the same at US\$700.
- No changes were made to the US\$ tax tables.



MONTHLY PAYE TABLE (1 AUGUST 2022-31 DECEMBER 2022)			
Tax Band (ZWL\$) From:	Tax Band (ZWL\$) To:	Tax Rate Multiply by	Deduct
0,00	50,000.00	0%	-
50,000.01	120,000.00	20%	10,000
120,000.01	240,000.00	25%	16,000
240,000.01	480,000.00	30%	28,000
480,000.01	1,000,000.00	35%	52,000
1,000,000.01	and above	40%	102,000

### Other highlights

- A new criminal offence will be introduced for businesses failing to remit VAT.
- The rules restricting the payment of value-added tax in foreign currency will be relaxed, but stricter rules will apply to value-added tax refund requests.
- With effect from 1 August 2022, the Commissioner no longer has discretionary powers to accept a VAT claim backdated as far back as three years.
- The VAT registration threshold is to be lowered to the national currency equivalent of US\$ 40,000, down from US\$ 60,000, with effect from 1 September 2022.
- The budget announced changes to the exempt thresholds under the Intermediated Money Transfer Tax, which applies to money transfers. With effect from 1 August 2022, the following changes were made:
  - The tax-exempt threshold for transactions was raised to ZW\$ 2,500 from ZW\$ 1,000.
  - The maximum tax payable per transaction was raised from the current ZW\$ 1.32m to ZW\$ 3.3m, on transactions with values exceeding ZW\$ 165m.
  - In the case of foreign currency denominated transfers, the maximum tax payable per transaction was raised from US\$ 10,000 to US\$ 20,000, on transactions with values exceeding US\$ 500,000.
- Government will increase the oversight of special economic zone tax breaks, to ensure that only companies that export all of their goods and services are entitled to the specified tax incentives. Further, the Government has said that it will remove tax incentives for companies seen to not be passing on those benefits to consumers.

To view the mid-term budget speech, follow this [link](#).

To view the Finance Bill, 2022, follow this [link](#).



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