

## TEMPORARY RELIEFS FOR INDUSTRY EMPLOYERS AND EMPLOYEES AMIDST COVID-19

1. The President declared a nation-wide lockdown for 21 days with effect from midnight on Thursday, 26 March 2020 until midnight on Thursday, 16 April 2020. The lockdown is necessary to fundamentally disrupt the chain of transmission as means of COVID-19.
2. It is however important to note that the national lockdown will have a serious negative economic impact especially to those companies which will not be able to operate (wholly or partly) during the lockdown period as well as employees who may be quarantined or self-isolated because they have tested positive for COVID-19.
3. Thus, the NBCRFLI proactively resolved to put in place measures to mitigate the negative impact of the COVID-19, hence the following temporary reliefs are available:

### **Sick Leave Fund**

4. Where an employee has been quarantined as a result of testing positive for COVID-19 or self-isolated as a preventative measures, a company can claim **immediately** for Sick Leave Fund based on contributions received to date by the NBCRFLI for each employee.
5. Medical certificates are not required to accompany sick leave applications where an employee has been quarantined for 14 days. However, a written confirmation from both employer and employee including electronic communication must be submitted together with sick leave application as proof that both the employer and employee have agreed to the 14 days 'sick leave'.
6. Should an employee be quarantined for more than 14 days, a medical certificate from a medical practitioner must be submitted together with the sick leave application.
7. All documentations must be submitted through the NBCRFLI's online application process.
8. This relief is not applicable to employees employed for less than two months.

## Leave Pay Fund

9. When a company is unable to operate or is operating on a partial basis for a period of 26 March to 16 April due to nation-wide lockdown, such company can claim **immediately** from NBCRFLI maximum amount of up to 21 days leave pay contributions from Leave Pay Fund for each employee.
10. An employee with less than 21 days annual leave contributions will have an option to receive leave advance from NBCRFLI for the shortfall on condition that the shortfall in contributions will be recovered from the employer by the NBCRFLI once employer received Unemployment Insurance Benefits (“UIF”) and/or wage payment through the proposed Government Temporary Employee Relief Scheme. It follows that when an employee returns to work, leave will only start accumulating once the advance leave has been settled.
11. In this regard, the NBCRFLI is currently engaging the Department of Employment and Labour with an intention to enter into Memorandum of Understanding whereby the NBCRFLI may be approved to receive payments from UIF for disbursement to industry employers for payment to their employees. Further communique will be issued once the Memorandum of Understanding is concluded.
12. A written confirmation including electronic communication for leave advancement application is required from both employer and employee.
13. A Confirmation letter from the employer must be submitted as proof that the company was not in operation (wholly or partly) due to the nation-wide lockdown.
14. All documentations must be submitted through the NBCRFLI’s online application process.
15. This relief is not applicable to employees employed for less than two months.

## Holiday Pay Bonus Fund and Wellness Fund Contributions

16. A company, which is not in operation (wholly or partly) due to the national lockdown, will not be obliged to pay contributions for non-working employees to the Holiday Pay Bonus Fund. Instead, such company will be required to contribute an amount equivalent to **2% per week** of non-working employee’s normal basic weekly wage for the purposes of contribution to Wellness Fund.

## Online Exemption Applications

17. A company which is in distress due to not being able to operate (wholly or partly) as a result of the impact of Covid19 will be allowed to submit an online application for exemptions using at this e-mail address: [exemptions@nbcffi.co.za](mailto:exemptions@nbcffi.co.za)

18. A company applying for exemptions must be able to demonstrate that, with supporting documentations were not able to operate at all or not at full capacity due to the impact of the Covid-19.

19. Exemption applications related to the impact of Covid-19 will be prioritized and the Exemption Body will sit on a weekly basis to consider such exemption applications.

### **Short Time**

20. During the nation-wide lockdown period, clause 64 of the Main Collective related to the implementation of short time will be extended to the rest of the industry.

21. For the purposes of this Circular, short-time means a temporary reduction in the number of ordinary hours of work owing to a shortage of goods to be transported as a result of the economic impact of Covid19.

### **Protective Clothing**

Companies which will operate during the nation-wide lockdown are required by law to put preventative measures in place to ensure healthy workplace for employees and to minimize the transmission of Covid19.

Should you require clarity, please contact your local Agent who will be available to assist.

Yours Faithfully

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Musa Ndlovu

National Secretary

***(This document has been sent electronically and is therefore not signed)***