

12 May 2020

## **INDUSTRY CIRCULAR: COVID-19 TEMPORARY EMPLOYER-EMPLOYEE RELIEF SCHEME (UIF BENEFITS)**

1. We refer to the above matter as well as our previous industry circulars issued regarding UIF benefits.
2. We have been receiving queries from the industry members regarding the status of their UIF applications submitted through Council. In this regard, Council would like to advise that we submitted the bulk application to UIF on behalf of the industry employers during the week of the 27<sup>th</sup> of April 2020 considering that the deadline for submission of documents for UIF applications was extended from Friday, 17 April 2020 to Friday 24 April 2020 in order to allow employers sufficient time to submit applications and ensure that the industry members receive their UIF benefits. Since then, Council has constantly been making follow up with the UIF on a daily basis requesting them to process our bulk application as soon as possible.
3. The Council has since received feedback from UIF yesterday on Monday, 11 May 2020 whereby they provided us with the report in a form of a spreadsheet. Council is currently analyzing the contents of the spreadsheet received from UIF because we have picked up discrepancies between a spreadsheet submitted by Council to UIF and a spreadsheet received from UIF on 11 May 2020. For example, Council submitted a spreadsheet with 39367 employees. However, UIF provided feedback to Council with a spreadsheet of 60594 employees in it.
4. Council has also discovered the following discrepancies from a spreadsheet received from UIF:
  - (a) A spreadsheet shows that bulk of the UIF monies has been paid/will be paid directly to the industry employers despite the fact we were expecting the UIF money to be paid to Council's bank account and in return, Council pays affected employees.
  - (b) A spreadsheet also indicates that a portion of the UIF money has been paid/will be paid directly to certain employees even though Council expected the money to be paid to Council's bank account for distribution to relevant employees.

(c) UIF rejected some of the claims submitted due to “Incorrect banking details” specifically for foreign nationals. UIF does not seem to understand that foreign nationals do not have bank accounts/bank details because Council pays them through PayCard system.

(d) UIF also rejected some of the claims due to the following reasons:

- Employee not declared by the Employer;
- Applicant has an active claim with the UIF;
- Some of employees are deceased;
- Average salary from employer not found; and
- ID numbers not found for foreign nationals even though passport numbers were provided.

5. To address the above challenges, Council is engaging UIF on an urgent basis with an intention to reconcile the Council spreadsheet with the one received from UIF and also to address queries raised by UIF.
6. In the meantime Council will pay the UIF money to those employees with no discrepancies as soon as UIF deposits the money into the Council's bank account. In this regard, Council will pay over the money received from UIF to affected employees or credit an annual leave contributions for those employees who applied for leave advancement from Council.
7. We appeal to those employers who have received the UIF money directly to pay it over to the relevant employees as soon as possible and submit proof of payment to the UIF as required.
8. Despite paragraph 7 above, employers that have received money from UIF are required to pay Council the amount due for leave advancement for those employees who have applied for leave from Council because Council must credit leave days of such employees. The remaining balance (if any) must be paid to the employee directly. In this regard, employers must use the enclosed Council's bank account to pay over the UIF money to Council and submit supporting documentation to Council, for record and reconciliation purposes. The employers need to use their normal levy as reference when making the deposits into the bank account.
9. We trust you find the above in order and should you require clarity, please contact your local agent.

Yours Faithfully

---

Musa Ndlovu

National Secretary

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