

16 April 2020

To: Industry Employers and Employees

COVID-19 TEMPORARY EMPLOYEE/EMPLOYER RELIEF SCHEME (Covid -19 TERS) BENEFIT APPLICATIONS

The Covid-19 TERS is a special benefit created under the Unemployment Insurance Fund Act (UIF Act) to compensate employees who have lost income due to the Covid-19.

The BCCEI is in the final process of concluding a Memorandum of Agreement with the Fund, which will enable the BCCEI to facilitate the application process by its members of the Fund for processing and payment.

Should an employer as a result of the COVID-19 pandemic close its operations, or a part of its operations, for a 3 (three) months or lesser period, affected employees shall qualify for a COVID-19 benefit.

The salary to be taken into account in calculating the benefits will be capped at a maximum amount of R17,712.00 per month, per employee and an employee will be paid in terms of the income replacement rate sliding scale (38%-60%) as provided in the UIF Act.

Should an employee's income determined in terms of the income replacement sliding scale fall below R3,500.00, the employee will be paid a replacement income equal to that amount.

Qualifying employees will receive a benefit calculated in terms of Sections 12 and 13(1) and (2) of the UIF Act, provided that an employee shall receive a benefit of no less than R3,500.00.

An employee may only receive COVID-19 benefits if the total of the benefit together with any additional payment by the employer in any period is not more than the remuneration that the employee would ordinarily have received for working during that period.

Where an employee is in quarantine for 14 days due to the COVID-19 pandemic, the employee shall qualify for illness benefit.

HOW TO APPLY

Applicants are encouraged to send an email to Covid19ters@bccei.co.za as soon as possible. The Applicants will be provided with a MOA to be signed by the Applicant's CEO or Managing Member and a list of supporting documents and information as listed in Annexure A must accompany each application. Upon receipt of the signed MOA and all required documents, the applications will be submitted to the Fund for processing and payment will be made directly to affected employees by the Fund.

Employers must submit to the BCCEI the information and documentation listed in Annexure A in respect of a temporary closure of its business operations and the payment of benefits to each of its employees: -

1. By or before 21 April 2020 in respect of the period 27 March 2020 to 16 April 2020
2. By 5th day of each subsequent month covered by extension of Directive, if any.

ANNEXURE A

INFORMATION AND DOCUMENTS

- **Documents and information to be provided to receive instalment:**
 - Letter of Authority on the business letterhead granting authority to the BCCEI (if there is no binding collective agreement) lodging claim on behalf of employer.
 - Acceptance of the terms and conditions contained in the MOA
 - Acceptance by Employer of UIF's confirmation of acceptance of Employer's application, per and for clause 4 hereof.
 - The relevant template duly completed including:
 - **Details of Employer**
 - Name and address;
 - UIF details;
 - Details of the employer's business account;
 - Details of the employer's accountant or auditor.
- **A template duly completed including:**
 - Details of the expected period of closure;
 - A list of employees and their dates of employment, ID, bank account and UIF details;
 - Remuneration received by employees;
 - Proof of remuneration to employees in terms of payroll / bank statements for previous 3 months;
 - Confirmation of employer bank account in form of certified latest bank account.
- **Information to be provided for second and further instalment**
 - The relevant template must be updated, where applicable;
 - Period of further closure specified (up to maximum of one month);
 - Details of employees no longer in employment;
 - Bank statements confirming previous payments;
 - Payroll reconciling payments to employees to amount paid by UIF.

SUPPORTING DOCUMENTS

- **Documents and information to be provided to receive first instalment:**
 - Resolution of the BCCEI authorising the BCCEI to enter into the MOA
 - MOA signed by the person authorised by the BCCEI;
 - The relevant template duly completed including:
 - Details of registered employers
 - Details of the expected periods of closure in respect of each of the registered employers
 - List of employees and their dates of employment, bank account, ID and UIF numbers
 - Remuneration received by employees
 - Proof of remuneration to employees for previous 3 months

Nick Faasen

BCCEI General Secretary

