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Important message to all employers regarding the Temporary Employer/ Employee Relief Scheme (TERS)

This is to advise that there has been a change in the process for applying for the UIF TERS benefit for on behalf of employees from May, in terms of which employers have a new option.

First, however, it appears that the UIF site is not yet ready to accommodate applications for May. We are trying to establish when this will become possible.

As to changes, employers applying will be able to indicate whether the benefits should be paid the company or whether payment must be made directly into employees' bank accounts.

Employers will be entitled to receive payment if they require a refund from the UIF, which would be the case where the employer has paid the benefit to the employees, or where the employees have been required to take annual leave. In other circumstances, the UIF will make payment directly to the employees.

The addition of this second option, under instruction from the Minister of Employment and Labour, follows complaints that some employers did not make the April payments to employees within the required 48 hours. While we have not been told how many employers failed to do this, or how many employees were affected, the non-compliance of a few drew comments from the Minister and the changes to the system.

The additional option has essentially been introduced with the intention of ensuring that the payments of the UI Covid19 TERS benefits are smoother for May and June. Representatives of the UIF have informed us that they are confident that the UI system has the capacity to pay individual employees directly. They further confirmed that processes are in place to inform employees once the payment has been made into their bank account. Employers will also be informed when an employee has been paid and how much.

Employers who have not submitted employee bank account details and mobile numbers to the UI when they initially applied should add the relevant details to their May applications. Employers who did so for April will not need to do so again.

It will still be necessary for the employer (or, where applicable, the bargaining council) to apply for the benefit on behalf of employees to whom the benefit is due. Where employers refuse or fail to do so, employees may apply directly.

Employers can also still make an advance payment to employees to ensure that they receive the amount on their regular pay date. In this case, the employer will need to indicate that they are applying for a refund when they make the application, and the amount will then be paid to the employer.



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Please note that the UIF has indicated that many employers who received benefits for April have not yet provided the UIF with proof that the employees have been paid their April entitlements. Employers signed MOAs committing to send proof that they have paid their employees. B4SA thanks those who have complied. Those who have not yet submitted proof to the UIF are urged to do so.

Employers who have not received funds for April are asked to escalate this to the UIF call centre, but the UIF has also undertaken to contact employers directly to resolve any outstanding issues so that workers can get paid.

The Department says it has engaged the private sector, insurance sector, banking sector and other stakeholders to assist in making the application process more effective and efficient. The Department aims to launch a new web platform, which will automate the applications value chain and speed up processing of payments. The UIF is also in the process of creating a *You Tube* video explaining the COVID19ters application step-by-step.

Anyone with queries should be directed to the UIF call centre at 0800 843 843.

21 May 2020

Labour Workstream