

Newsflash

**Guidance for abattoir worker (TSHWANA version)
UIF Guide, article by Labourwise
International News - Meat Plants affected by COVID 19
CIPC Certification Process for Essential Service Businesses**

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Dear Abattoir Owners

Video guidelines in Tswana for Abattoir Personnel

South Africa is in the 22nd day of a National Lockdown period. Thank you for your diligent effort in providing an essential service during this difficult time for the industry.

In the GUIDELINES FOR THE SOUTH AFRICAN RED MEAT ABATTOIR INDUSTRY issued on 30th March 2020, a specific section was dedicated to guidance for abattoir personnel. This information is now also contained in a Tswana video presentation available to be downloaded. It is very important that this video is presented to your abattoir workers for their information to ensure adherence to COVID 19 guidelines.

YouTube link: <https://youtu.be/MbrDBQoyxyY>



Guide to UIF and other Covid-19 options

In [Article Archive](#), [Article Archive - Home](#), [Article Archive - Teaser](#), [Labour News](#), [Labour News Teaser](#) by Jan Truter 14 April 2020 [36 Comments](#)

(UPDATED: 14 April 2020)

See latest updates in red

Much confusion has arisen with the introduction of the **Covid -19 temporary employee / employer relief scheme (C19 TERS)**, previously referred to as a “National Disaster Benefit”, in terms of a directive that was gazetted on 26 March 2020.

C19 TERS is not the only UIF relief option available in the case of temporary lay-offs. Many employers have already laid off their employees without pay and submitted claims under the **UIF ‘Reduced working time’ option**.

[NOTE: The confusion has by and large been caused by a more recent Easy- Aid Guide for Employers to access UIF benefits that seems to confuse C19 TERS document requirements with that of the UIF ‘Reduced working time’ option. To avoid further confusion, we have made available the previous version of the UIF Easy-Aid Guide – see link below]

So, what is the difference between these two options? May employers apply for both?

TEMPORARY LAY-OFF OPTIONS

1. UIF ‘Reduced working time’ option

Although indications are that the C19 TERS (described under point 2 below) is likely to enjoy priority and seems to be preferred by Department of Employment and Labour, the ‘reduced working time’ option is still available to employers and employees.

The ‘reduced working time’ was originally intended for employees who have to work short time. This benefit was introduced fairly recently (2018) in the following terms:

“A contributor employed in any sector who loses his or her income due to reduced working time, despite being employed, is entitled to benefits if the contributor’s total income falls below the benefit level that the contributor would have received if he or she had become wholly unemployed, subject to that contributor having enough credits.”

(The Government Gazette is available at the link below).

It has been confirmed that this scheme is also available to employees that are on temporary lay-off without pay during the Covid-19 crisis. The following documents need to be submitted:

- UI 19 and UI 2.7 (completed by employer)
- UI 2.1 (application form)
- UI 2.8 (bank form completed by bank)
- Letter from employer confirming reduced work time (or lay-off) is due to the Coronavirus
- Copy of ID document

(An “UIF Easy-Aid Guide”, [“UIF Easy Guide for Electronic claims”](#), as well as the relevant forms, are available at the link below).

Features of the ‘reduced working time’ option:

- The claim is subject to the employee having enough credits.
- The claim is by the employee (with the assistance of the employer).
- [The practical challenges of obtaining and submitting forms, have been alleviated by an online option \(see “UIF Easy Guide for Electronic claims” available at the link below\).](#)
- The benefit will be calculated in terms of the income replacement rate sliding scale of 38 % (for high earners) up to 60 % (for low earners) as provided in the Unemployment Insurance Act, subject to the maximum threshold as determined from time to time.
- It is possible that lower earning employees may get out less than the minimum wage under this dispensation.

- Payment is made by the UIF directly into the employee's bank account.
- Subject to available credits the employee can (theoretically) receive this benefit for up to 12 months.

2. Covid-19 temporary employee / employer relief scheme (C19 TERS)

This scheme is intended to provide emergency relief to enable employers to pay employees who are temporarily laid off due to the Covid-19 crisis.

The directive issued on 26 March 2020 has been amended (in Government Gazette no. 43216, dated 8 April 2020). The most important amendments appear from the following (underlined portions have been inserted in the amended version of the directive):

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

and

“temporary lay-off means a reduction in work following a temporary closure of business, whether total or partial, due to Covid-19 pandemic for the period of the National Disaster.”

These amendments now clearly confirm that an employer does not have to close its operations completely to qualify for benefits under C19 TERS.

(The Government Gazette is available at the link below.)

Features of the COVID-19 TERS option:

- - It is a separate benefit scheme (separate from normal UIF benefits with its own set of forms and requirements) which cannot be claimed at the same time as the UIF 'reduced working time' benefit.
 - **It applies where the employer has temporarily closed its operations, completely or partially, as a direct result of Covid-19.**
 - Claims are not dependent on an employee having any UIF credits and will be entitled to benefits irrespective of how long they have contributed.
 - The employer (rather than the employee) submits a claim for UIF and the employer then pays over the money to the employees.
 - Online process: Send blank email to Covid19ters@labour.gov.za and you receive an automated response with the relevant forms and other requirements. Alternatively, submission may now be made online at <https://uifecc.labour.gov.za/covid19/>
 - The UIF will be prepared to “top up” any payment made by the employer (by prior arrangement with the UIF).
 - The benefit will be calculated in terms of the income replacement rate sliding scale of 38 % (for high earners) up to 60 % (for low earners) as provided in the Unemployment Insurance Act, subject to the maximum threshold which is currently R17712. **Despite conflicting reports, our understanding is that the maximum benefit for a high earner would be 38 % of R17712 a month, which amounts to about R6 730 a month. This seems to have been confirmed by an amendment to paragraph 3.4 of the directive (available at the link below).**
 - For the duration of the shutdown or a maximum period of three months, the benefit will be not less than the minimum wage (referred to as a 'flat rate' of R3500 per month). After the expiry of this 3-month period, the employee might receive less than the minimum wage based on the above sliding scale.
 - There is supposed to be a faster turnaround time with processing (According to the agreement to be signed with the UIF the benefit should be paid out to the employer within 30 days of a valid submission).
 - **An employer with more than 10 employees has to enter into a written memorandum of agreement (MOA) with the UIF, or there needs to be a written or electronic confirmation of acceptance by the employer of the terms and conditions of the scheme.**
 - **It was a requirement for the employer to open a dedicated UIF bank account, or to clear an existing account. Although this requirement has been scrapped, it is still a good idea to have a separate account to track all payments relating to Covid-19 benefits.**
 - The employer has to fulfil a number of administrative requirements, which have changed several times over the past few weeks to make it easier for employers to comply. **The automated response from the email to Covid19ters@labour.gov.za was again updated over the Easter weekend. In the meantime the Department of Employment and Labour has created a facility for UIF COVID-19 TERS submissions to be made online at <https://uifecc.labour.gov.za/covid19/>. (Labourwise HR offers an administrative service to**

assist employers with UIF COVID-19 TERS submissions. Employers who are interested in making use of this service can [contact us](#)).

(A Covid-19 TERS Easy Aid is available at the link below.)

Which lay-off option do I choose?

There are several considerations. The Covid-19 TERS seems to be intended for as emergency relief with a relatively quick turnaround time. Some bargaining councils and large consortia of employers have been encouraged to make use of this scheme. They would make bulk submissions and, once the benefits are paid over to them, they would pay the benefits to the employees. This should ease the administrative burden on the UIF.

Covid-TERS also seems well suited for employers who foresee that they will not be able to pay their employees in full for a significant period (up to 3 months). The UIF intends to help 'top up' salaries to the extent allowed by the income replacement rate sliding scale (but only if this has been agreed upfront with the UIF).

Smaller employers may also make use of the benefit. They would have to decide based on the prospects of the recovery of the business, and whether it is worth their while to comply with the Covid-19 TERS requirements. They also need to consider the practical difficulties that their employees may experience in obtaining their benefits (if the UIF Reduced working time option is chosen), especially during the lock-down period.

It has now been confirmed that employers with ten or less employees who choose to apply for Covid-19 TERS relief, do not have to enter into the prescribed agreement (MOA) with the UIF. They may be required to provide written or electronic confirmation of acceptance of the terms and conditions of the scheme. Small employers may be accommodated in other ways, but it is still not clear to what extent. Each employer will be judged on its own individual merits. We have our doubts about the capacity of the UIF to give much individual attention in the current circumstances.

Employers must make a choice. They cannot claim under both systems at the same time. It is not clear whether an employer who has already submitted under the 'reduced working time' option can withdraw that submission and claim under Covid-19 TERS. In our view this should be possible, though. The UIF Commissioner has indicated that employers that want to make use of Covid-19 TERS should do so before the end of the current lock-down.

While Covid-19 TERS appears to have unique and helpful features, it is a new system and there are likely to be teething problems.

There is no clear right or wrong way. Each employer should make a choice based on its own circumstances. **However, considering the extension of the lock-down and the expansion of the scope of the Covid-19 TERS option, the latter should be the more sensible option for most employers.**

ANNUAL LEAVE

There have been conflicting reports on what employers are entitled to do with regard to leave.

In our view the point of departure is this: The 21-day lock-down has been imposed by Government. Neither employers nor employees are to blame. Employees who have to stay at home are unable to tender their services due to the lock-down. They are not entitled to be paid. So, what measures are available to mitigate the financial deprivation suffered by employees during the lock-down?

There seem to be the following options:

1. Employees take the annual leave that is due to them.
2. UIF benefits (UIF 'reduced working time' benefit or Covid-19 TERS benefit).
3. Employers pay their employees in part or in full, if they have the resources to do so (even though they have no obligation).
4. Employers grant their employees loans.

On 26 March 2020, a directive was issued by the SA Government acknowledging an employer's right to insist that employees take annual leave. However, the directive encourages employers to make use of the Covid-19 TERS relief instead (The directive is available at the link below). Until such time that this directive is replaced with a new directive, statements by politicians and others that are in conflict with the directive do not have to be taken seriously.

Employers may already have an arrangement in place that employees use their annual leave credits during the lock-down. It has the advantage of providing immediate financial relief during the lock-down. **However, given the purpose of the Covid-19TERS, some employers have been making submissions as if employees have not taken annual leave. The intention is to claim Covid-19TERS benefits in the hope that the benefits would be paid out. If paid out, the employers could credit the employees' leave to the value of the benefits received. This seems to be a sensible approach.**

Employers can only be expected to do what is reasonable in the light of their unique circumstances and the resources they have available to them.

COVIDA AND SICK LEAVE

Covid-19 has been declared an occupational disease. If an employee is absent due to contracting the Coronavirus out of and in the course of his or her employment, it will not be regarded as sick leave. Instead it would be covered in terms of the Compensation for Occupational Injuries and Diseases Act of 1993 (COIDA). The employee must as soon as possible after the commencement of a disease give written notice thereof to his or her employer or to the employer where he or she was last employed, and he or she may also give written notice of the said disease in the prescribed manner to the compensation commissioner. Thereafter, a further process needs to be followed by the employer and a medical practitioner (which we won't elaborate on in this post.)

If, however, it cannot be shown that the Coronavirus was contracted in the course of the employee's employment, any period of absence as a result of being infected will be regarded as sick leave.

OTHER UIF OPTIONS

Illness benefits for 14-day quarantine period

This UIF benefit is available to employees who are quarantined for 14 days due to the Coronavirus (i.e. "special leave"), irrespective whether the employee has contracted the virus or not. No medical certificate is needed for the first 14 days but the employer and employee have to submit a letter of proof that they have agreed to "special leave". In addition to the letter referred to above, there is certain other documentation that has to be submitted (See "UIF Easy-Aid Guide" which is available at the link below).

While this option is available in principle, it is not available during the 21-day lock-down, except for employees who are able to work due to being part of essential services. At this stage it seems that it may be used after the lock-down, though.

Death benefits

In the unfortunate event that an employee passes away, certain beneficiaries may apply for benefits (See "UIF Easy-Aid Guide" at the link below). The following documents need to be submitted:

- UI 19 and UI 53 (completed by employer)
- UI 2.5 or UI 2.6
- Death certificate
- UI 2.8 (bank form completed by bank)
- Copies of ID documents of applicant and the deceased

OTHER 'TERS' BENEFITS (NON COVID-19 RELATED)

There is another temporary relief benefit scheme (TERS) that was originally introduced towards the end of 2019. It was introduced to assist employers in distress, in order to avoid retrenchments. This scheme – which is overseen by the CCMA – is not to be confused with the Covid-19 TERS scheme.

This scheme does not envisage normal lay-offs. Instead employees are laid off work for period while they receive training, along with a training allowance. It involves a rather cumbersome process (e.g. requires the submission of annual financial statements, turnaround plan, etc.). While employers should still be able to submit an application for relief in terms of this scheme, it is unlikely to enjoy priority during the current Covid-19 crisis. (See guideline at the link below).

UPDATES

There have been rapid developments surrounding the Covid-19 crisis and the relief options available. Amidst the confusion, we are doing our best to interpret the regulatory changes in a way that makes sense. The situation may change from day to day and the views expressed above should not be regarded as legal advice.

This document will be updated as matters develop. We will alert our readers of any changes.

For access to the documents, forms and other relevant information referred to above, please [click here](#).

Jan Truter for www.labourwise.co.za

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INDUSTRY NEWS - PM

COVID-19 kills two Tyson workers, troubles more meatpacking plants

By Tom Johnston on 4/16/2020

Tyson Foods officials have confirmed that two workers who were employed at the company's Columbus Junction, Iowa, pork plant have died from COVID-19 infection, as the virus continues to inflict more pain on the entire meatpacking industry.

"We're deeply saddened by the loss of two team members from our Columbus Junction plant," the company said. "Their families are in our thoughts and prayers."

Tyson Foods idled the facility on April 6 when more than 24 employees had tested positive with the virus. With the number of positives shooting up closer to 150, according to media reports, the company has extended the suspension.

Tyson officials said Monday they've purchased more than 150 infrared walk-through temperature scanners that will be installed at two pork plants in Iowa and Indiana and two poultry plants in Arkansas and Georgia. The company expects to eventually have at least one of these scanners at every Tyson food production plant.

"We continue working diligently to protect our team members at facilities across the country by taking worker temperatures, requiring protective face coverings and conducting additional cleaning and sanitizing," the company said. "We're implementing social distancing measures, such as installing workstation dividers, spreading out workstations where possible, and providing more break room space."

More pain

Meatpackers across the country and in Canada are struggling to protect their workers while fulfilling their essential role in producing food.

Up north, JBS's Brooks, Alberta, beef plant became the third beef plant in that province to have employees with COVID-19 positives, along with Cargill's High River facility and that of Harmony Beef, CBC News reported.

Cargill's woes worsened in the states, too, as the company's Fort Morgan, Colo., beef plant was forced this week to reduce production to one shift, company officials confirmed.

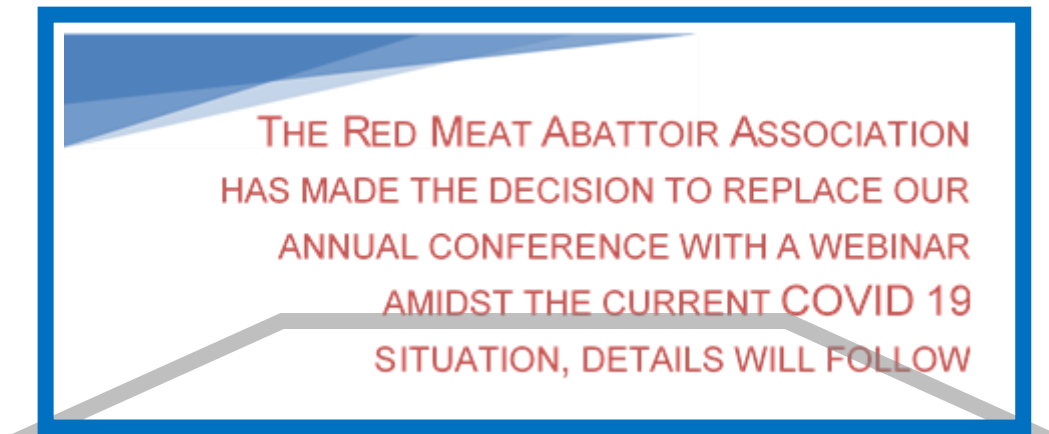
"As we continue to prioritize the health and safety of Cargill employees, we have decided to temporarily reduce shifts at our Fort Morgan protein plant," said Jon Nash, Cargill Protein – North America Lead. "This will allow us to minimize the impact of COVID-19 and continue follow health department guidelines. This was a difficult decision for our team, but our values are guiding our actions."

This, after Cargill has had to address COVID-19 problems at several other U.S. locations, including its Hazleton, Pa., plant, which is closed indefinitely.

National Beef Packing Co.'s troubles grew, too, as the company reported one worker at its Moultrie, Ga., plant tested positive with COVID-19.

"This employee had not been in the facility for several days and is now in quarantine at home for the required amount of time needed for a full recovery," the Kansas City, Mo.-based meat packer said in a press release. "Out of respect for privacy, we will not offer any information regarding the employee's identity or status at this time."

National Beef's plant in Tama, Iowa, has suspended operations until April 20 after "numerous workers" contracted COVID-19. Workers at plants in Liberal, Kan., and Dodge City, Kan., have also tested positive with the virus, the company said.



**MEDIA STATEMENT
16 APRIL 2020**

CIPC CERTIFICATION PROCESS FOR ESSENTIAL SERVICE BUSINESSES DURING EXTENDED LOCKDOWN

Companies, which are registered through the Companies and Intellectual Property Commission's (CIPC) BizPortal to perform essential services during the lockdown period, will be required to have a new certificate from the BizPortal website for the extended period, which begins tomorrow 17 April 2020.

The certificate will be sent via email using the details provided at the time of registration, and will also be available for download from today. Companies will receive the certificates from today and the full list of registered companies will have received their certificates by the weekend.

The new certificate will clearly state that it is for the extended lockdown period, beginning 17 April 2020, and South African Police Service officials will be told which certificates to look for.

Certificates issued before today will no longer be valid and must be disposed of. To provide time for businesses to adjust to the new requirements, the new certificates will be available to be displayed from start of business on Monday, 20 April 2020.

The department reminds the public that possession of the CIPC certificate is still subject to the company fully complying with the applicable Lockdown Regulations and is a record of the company's details, and does not in itself constitute the right to continue operating during the period.

Only businesses which provide essential services in terms of the Lockdown Regulations, as amended, issued by the Minister for Cooperative Governance and Traditional Affairs may continue their operations during the COVID-19 lockdown.

The CIPC certificate is a reference to the legal registration of the company in terms of the Companies Act, 2008 (Act No. 71 of 2008) and a record of registration to the CIPC. It does not give a firm or individual a right to trade if that company does not fall into an Essential Service as defined in the Lockdown Regulations.

The Department clarifies that the registration portal is only for companies registered in terms of the Companies Act. Other essential service providers, like healthcare professionals registered with the Health Professions Council of South Africa, sole proprietors who provide essential goods and services (like small business owners and spaza shops), and small-scale farmers will not register through the Bizportal. These businesses will not have a CIPC certificate, but must still comply with the provisions of the lockdown regulations.

Where the CIPC finds that certificates have been issued to companies which do not meet the definitions of an essential service, such certificate will be revoked, and the company will be referred to the South African Police Services. False declaration by the company is a criminal offence and will result in prosecution, in terms of Lockdown Regulations.

The regulations for the extended lockdown have also clarified that the transportation of liquor is prohibited, except where alcohol is required for industries producing hand sanitizers, disinfectants, soap, alcohol for industrial use and household cleaning products.

To confirm if your business complies, please consult the necessary regulation at <https://www.gov.za/documents/disaster-management-act-regulations-address-prevent-and-combat-spread-coronavirus-covid-19>.

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Please feel free to contact us should you be in need of any assistance

Kind Regards



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