

Companies facing distress due to the pandemic to be assisted - Employment and Labour 17 March 2020

As measures are put in place to contain the spread of the Corona virus pandemic and its impact, Employment and Labour Minister Thulas Nxesi said individual companies are to feel the pinch and may lead to some of them being distressed.

The minister was addressing the Executive Committee meeting at The National Economic Development and Labour Council yesterday, in response to the Corona virus pandemic that has affected at least 102 countries worldwide.

Nxesi said to assist the distressed companies, a period of reprieve will be considered in order for companies not to contribute to the Unemployment Insurance Fund (UIF). He said the Funds Temporary Employer/ Employee Relief Scheme will be used to ensure that workers are not laid off.

“In instances where companies decide to close for a short period as a precautionary measure, the short term UIF benefit will kick in. If a company contemplates a short term shut down, they are required to inform the Unemployment Insurance Fund. Our team will visit these companies to provide assistance with the processing of the claims, said Nxesi.

He said in instances where an employee has to be self-quarantined for 14 days, such a leave will be recognized as a special leave which will be fully paid on condition that the reason for the quarantine meets the requirements and that employee can apply for UIF benefits.

In an event that an employee is required to be quarantined for longer than 14 days as a result of having travelled or been in contact with an infected person, such a leave will be recognized as a special leave and that employee will be eligible to apply for unemployment insurance benefits, added Nxesi.

The minister urged employers to conduct a health and safety risk assessment in consultation with the workers, whilst ensuring that measures are put in place to ensure a healthy workplace for the workers as required by law.

He said employers are required to provide necessary protective equipment and put in place systems to deal with the outbreak, as well as including all mitigating measures that are to be put in place until the outbreak has been dealt with.

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