



**SUMMARY OF BENEFITS AVAILABLE TO EMPLOYEES IN RESPONSE TO COVID-19
as at 31 March 2020**

Benefit Type	National Disaster Benefit (NDB)	Reduced Working Time (RWT)	Temporary Employee / Employer Relief Scheme (TERS)
Who makes this application?	Employer	Employee	Employer
Who should apply?	Employers who have temporarily closed their businesses as a direct result of the COVID-19 virus.	<ul style="list-style-type: none"> • Employees who are not receiving <u>any</u> remuneration during this lockdown; or • Employees who are receiving a portion of their remuneration. 	Employers who cannot afford to pay their employees during the lockdown as a result of financial distress caused by the lockdown.

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<p>Application Criteria / Required Documents</p>	<ol style="list-style-type: none"> 1. UI19 and UI2.7 (completed by Employer) 2. UI 2.1 (application form) 3. UI 2.8 (bank form completed by the bank) 4. A letter from the Employer confirming shutdown or employee's "temporary lay-off" is due to the Corona Virus 5. Copy of employee's ID document 	<ol style="list-style-type: none"> 1. UI19 and UI2.7 (completed by Employer) 2. UI 2.1 (application form) 3. UI 2.8 (bank form completed by the bank) 4. A letter from the Employer confirming Reduced Work Time is due to the Corona Virus 5. Copy of employee's ID document. 	<ol style="list-style-type: none"> 1. Letter of authority on letterhead giving authorisation to an individual to lodge a claim 2. Memorandum of Agreement (between UIF and Employer) (this is not necessary if employer has under 10 employees. 3. Prescribed template with critical information 4. Confirmation of bank account details in the form of certified latest bank statement and separate bank account 5. Proof of the last three months' employee salaries
<p>Ideal Applicants</p>	<ul style="list-style-type: none"> • Employers with lower income earning employees (those earning less than R10 000.00). • Juristic persons such as personal liability companies (Inc), sole proprietors and partnerships. • Employers who are unsure as to their employee's UIF credits. 	<ul style="list-style-type: none"> • Employees who are not working as a result of the complete closure and who are <u>not</u> receiving any payment from their employer; or • Employees who are receiving some payment from their employer, regardless if they are working. • Employees who have UIF Benefits to claim. 	<ul style="list-style-type: none"> • Employers with established financial auditing resources. • Employers who want to alleviate the administration of having employees sign various forms / cannot have employees sign various forms. • Employers who have a workforce consisting of higher income earners (above R10 000.00 etc.)

<p style="text-align: center;">Benefits</p>	<ul style="list-style-type: none"> • Flat rate of R3 500.00 paid out to employees. • No need to prove financials • Less onerous for the Employer than TERS. • Not linked to employee's individual UIF credits (therefore everyone will get R3 500.00 regardless). 	<ul style="list-style-type: none"> • Employees will be paid according to the sliding scale and their UIF benefits. • Could be paid more than R3 500.00. • Standard UIF Forms required so less onerous than TERS application but effectively same benefits for employees. 	<ul style="list-style-type: none"> • Employees do not need to complete or sign forms meaning the application can be driven solely by Employer. • Not linked to employee's UIF benefits. • Employees can be paid out more than R3 500.00 (between R3 500.00 to R 6 730.00) • Does not rely on UIF credits. • Estimates of 10-30 days from application to payment.
<p style="text-align: center;">Disadvantages</p>	<ul style="list-style-type: none"> • Pay-out is limited to R3 500.00 regardless of earnings. • Employees will need to attend their bank with the UI2.8 form for bank signature / stamp. • UIF forms must be completed for each employee for whom this benefit needs to be paid. 	<ul style="list-style-type: none"> • The combination of what the employee is receiving from the employer and UIF cannot exceed what UIF would have paid the employee had they received nothing from the employer. • Linked to the employees UIF benefits so when the employee's UIF credits are exhausted, benefits will cease. 	<ul style="list-style-type: none"> • Onerous in respect of financial auditing responsibilities and separate bank account requirements. • Pay out capped at a salary of R17 712 per month. Benefits are paid out in terms of a sliding scale (38%-60%), the highest benefit payable to be R6 730.00 per month and the lowest to be R3 500.00 per month. • Employees who are on short-time / receiving partial pay may be excluded

For more information or assistance with the application process for these schemes, kindly contact Paul Cooley at paul@workplacestrategies.co.za or 076 299 7807.