

Guidelines for Employers related to the Coronavirus LOCK DOWN

24 March 2020

Do it for your business!
Do it for your family!
Do it for yourself!
Do it for your country!

21 Days of pain - we can survive this. Yes it will impact us all financially - it will cost us. But if we can unite and do this well for the 21 days, we can pick up the pieces and move on. Otherwise, it will cost us months.

Let's do this!

A practical approach to the lock-down for you and your business -

1. Get a list of all your employees' contact details. And ask whether you should communicate via e-mail (provided they have access to an e-mail be it work related or private), sms or whatsapp (each one to indicate their preference). Remind them to have data/airtime to receive updates/ communications from you. No, for this general requirement you do not have to pay as employer;
2. If you are a *Critical Business Continuity Service* ("CBCS"), or it is essential that you may need people to come to the business site to look after something, i.e. a Pet Shop with animals that need feeding, cleaning and caring, please issue such employees members with an original letter (letterhead of organisation) to explain the position and draw the link to the CBCS guideline/notice. This HAS to be kept to a minimum and to what is critical and essential;
3. If you are a non CBCS, and you can continue to "work" (home-based, using technology), do it!
4. If you are "working", continue to pay your employees;
5. If you are "working" but at a reduced requirement, introduce short time; you can also ask employees to take 1-2 days per week as annual leave (it will be deducted from their annual leave entitlement). This will mean then that they can get a full salary for the period this is in effect;
6. If employees should run out of annual leave, allow them at this stage to go into a minus of 5 days (it means they owe you; in the event of a retrenchment ultimately, it will be deducted from the pay-out due) and when they come back and business resumes, they will work at least 4 months (if they are entitled to the minimum of 15 working days) to get to a 0 balance and before leave accrues positively again. If your employees are "in a habit of absconding" or arriving irregularly in any event (their track record), or they are weekly or daily paid employees, then the minus 5 days may not be practical;
7. If they run out of the annual leave provision, then the general rule is "no work, no pay". If possible and you can take the pain for the three weeks, Organisations are encouraged to pay something. The requirements for *the Temporary Employee Relief Scheme* ("TERS") will be communicated within the next few days and Organisations should consider the conditions and apply where applicable;
8. Another alternative may be to not pay any remuneration for the period, but if possible, Organisations are encouraged to continue contributing to the

employees' medical aid and provident/retirement funds where this is place for the organisation (and is a benefit);

9. If leave is not an option and cash flow allows, Organisations are encouraged to pay employees something for the 21 day work period. For instance 30% of salary or whatever the Employer can afford;
10. If the cash flow will not allow any payments in terms of remuneration, and the organisation is able to commence business after the end of any lock down period, the worst case scenario is "no work, no pay". Again, please consider the conditions of TERS and other measures being put in place to assist in this event, this may benefit the organisation;
11. If the organisation is contemplating closure or it will take at least 3 – 6 months to generate revenue again, the consideration and process to follow would be retrenchment. This would mean negotiated terms of exit as per the retrenchment procedure.
12. Whatever you have decided to do, **communicate this to your employees** soonest. Advise them too, especially if you have opted to provide annual leave as an option or some form of payment, what the applicable period is (for this). Should the worst case scenario continue, best to forewarn now and advise employees too that it could impact and change the provisions the organisation has set in place currently. This could perhaps result in a no-work, no-pay situation. The organisation could also advise, if some form of payment is being made now, that this could impact on bonuses in June/December (your period for paying bonuses regularly) and could result in no bonuses being paid or impact on any other extra payments that have been made by the organisation previously.

If you have any questions or would like more information, please feel free to contact your Nspire Consultant.

Yours,
Heidi

Some useful government support services -

- Whatsapp support: 0600 123 456
- Emergency number:0800 029 999
- If you are retrenching more than 50 employees, contact the UIF Rapid Response Team for assistance. Contact details for Dingaan Basimane for Gauteng is 011 853 0303.
- UIF: www.ufiling.co.za/uif/