CIRCULAR

To: All Employers in the Metal and Engineering Industry
From: Office of the Chief Executive Officer (Council Secretary)
Date: Friday, 17 April 2020
Subject: Applications for Benefits from the UIF Covid-19 Relief Scheme
Circular No: 2020/02

Dear Employers

The Council is pleased to inform the industry that it has signed a Memorandum of Agreement (MOA) with the Unemployment Insurance Fund (UIF) on Wednesday, 15 April 2020 in order to give effect to Covid-19 Temporary Employee/Employer Relief Scheme (TERS) as set out in the Minister of Employment and Labour’s (Minister) Directives as amended. It is worth mentioning that since the President’s announcement regarding the national lockdown, the Minister has issued three Directives outlining the processes to be followed when submitting a claim either through the Council or directly with the UIF.

1. Having perused the amendments of Directives by the Minister in terms of Regulation 10 (8) of the Regulations issued by the Minister of Cooperative Governance and Traditional Affairs in terms of Section 27 (2) of the Disaster Management Act, 2002 (Act No. 57 of 2002), the following is apparent:

1.1. During the lockdown period employers in the industry who have temporarily laid off their employees and are unable to pay salaries/wages may benefit from the scheme.

1.2. The Council has entered into a MOA with the UIF to act as an intermediary for the channelling of applications for the TERS by employers under its scope of operation after it was authorised by the Management Committee (MANCO) of the Council to do so and...
to ensure that it does whatever is necessary to facilitate that employers in the industry are able to submit claims as soon as possible.

1.3. An employer has an option either to claim directly to the UIF or through the Council and its claim shall be processed accordingly without delay even though it falls within the registered scope of the Council. The Council encourages those employers who have the capacity to claim to do so directly from the UIF.

1.4. An Employer shall claim on behalf of its employees’ payment for public holidays falling within the lockdown period and such payment shall be paid to the employees.

2. The following listed forms must be completed before submitting a claim: -

2.1. To facilitate the smooth compilation of the information required, the Council has designed the attached application forms, Annexures A and C for usage by employers for this purpose.

2.2. The form marked Annexure A is for use by employers who have paid salaries/wages during the period of the lockdown.

2.3. The form marked Annexure C is for those who have not paid any salaries/wages during this period.

2.4. To submit a claim through the Council the employers in the industry must ensure that all the forms referred above are fully completed and signed thereof.

3. Once the process outlined in paragraph 2 above is complete, the employer should forward the application form, duly signed by an authorised person and with all the attachments to covidclaims@meibc.co.za and further take note of the following:

3.1. The Covid-19 TERS is only available to employees who have been in the employ of the company prior to the date of the lockdown.

3.2. An Employer who has already paid salaries/wages to its employees during the period of lockdown shall be entitled to submit a claim and be paid directly by the UIF and recover the amounts so paid from the funds received from UIF and pay the balance (if any) to the employees. In this regard the calculation of UIF shall prevail.
3.3. The payments by the UIF will be effected at intervals of 30 days.

3.4. The process will be repeated monthly for up to three months, or such a longer period as may be directed by the UIF.

3.5. Normal deductions such as pension & provident fund, council levies are not deductible from these benefits.

3.6. An Employer shall claim on behalf of its employees’ payment for the public holidays falling within the lockdown period and such payment shall be paid to the employees.

3.7. Once the Council receives the application form and all the required attachments, it will verify the information and raise queries where necessary and submit all the applications it would have received and fully verified to the UIF on a weekly basis.

4. If the UIF in turn raises any further queries on any application, the Council will endeavour to resolve those queries with an applicant within any stipulated time frame given by the UIF and if any such query is not resolved timeously, a delay in the processing of the claim may be unavoidable.

5. Within 30 days of receiving the applications, the UIF will make payments directly to the employees in respect of Annexure C applications and directly to the employer in respect of Annexure A applications.

6. To avoid any bottlenecks when processing the applications, the Council would appreciate if:

   6.1. Applications in respect of the lockdown period between 27 March 2020 and 16 April 2020 could be forwarded to the Council as soon as possible from the date of this circular but not later than close of business Tuesday, 28 April 2020.

   6.2. Applications in respect of the lockdown period between 17 April 2020 and 30 April 2020 could be forwarded to the Council as soon as possible or not later than close of business Friday, 08 May 2020.

   6.3. In the event the national lockdown is extended for a further period, the Council will issue a further communication to the industry.
The following documents are attached to the circular:

a) Original and first directive issued on 25 March 2020.
b) The second directive issued on 6 April 2020.
c) The third directive issued on 16 April 2020.
d) The Memorandum of Agreement (MOA) “C” signed between the Council and the UIF.
e) The addendum marked Annexure “A” to the MOA “C”.
f) UIF Application Questionnaire marked Annexure “A”.
g) UIF Application Questionnaire marked Annexure “C”.
h) Annexure B - Payroll Information Template.

Should you require further information and/or clarity, please contact the following numbers:

**Gauteng Regional Office**
: Nathaniel Matukane - 078 456 4405.

**Tshwane Region**
: Hope Ramokolo - 083 937 8029.

**Cape Region**
: Ida Roman - 082 888 0141.

**KwaZulu Natal Region**

**Eastern Cape Region**

**Welkom Region**
: Nick van der Walt - 072 112 9453.

**Operations department**
: Vice Ngonyama - 078 456 5610.

Yours Sincerely

[Signature]

Sicelo Nduna
Chief Executive Officer (Council Secretary)