

## Feedback from the webinar

A key question during the webinar, which is crucial to forward planning and decision making, is **whether the COVID-19 UIF/TERS support will be extended beyond the current lockdown period ending June 2020.**

It is clear that the Tourism Industry worldwide will take an extended period to recover from the impact of the pandemic. With the understanding that the recovery of the sector will take time, Mr Tshivhengwa confirmed that the Tourism Memorandum of Understanding with UIF has been signed for a year, thus leaving the option of an extension well beyond the current June 2020 cut-off date. Tourism Sector representatives including TBCSA met with the President on Friday 22 May 2020, to highlight the situation of the Sector.

### May Applications

Further to the recent communications by the Department of Labour on the 22<sup>nd</sup> May 2020 regarding May TERS payments, and confirmed by the TBCSA:

- TERS payments for May will be paid directly to **employees, and not to the employers**
- Employers are still expected to apply on behalf of their employees
- Employers will receive a payment breakdown from the UIF as confirmation of payment to employees

We understand that the UIF will be opening for claims early in the week starting 25 May 2020.

**It is important to note that employers should therefore not load payroll that includes the expected amount from TERS in May.**

**Please [click here](#) for link to Department of Labour Communications full document.**

The calculation of benefits remains at 38% to 60% of an employee's salary to the upper salary limit of R17,712.00.

### The dates to insert for May applications

When completing your online May application, the dates to be inserted would be from 1 May to 31 May 2020.

### UIF System issues

The UIF has made it clear that most of the problems experienced thus far are due to the way that their IT system has been set up and the accompanying validation checks. For instance, company

names and detail, UIF numbers, employee names and ID Numbers, banking detail and the accompanying names are, where relevant, being electronically cross referenced and validated with their own data bases, as well as, depending on the information checked, with Home Affairs, the respective banks for account detail verification, DTI and SARS.

The way that the programmes were developed meant that in many cases small variations in spelling of company names, employee names, spaces, discrepancies in names and bank accounts, etc. often had unintended consequences leading to applications being declined by the imbedded 'rules' within the IT systems. The UIF have been working on easing these electronic restrictions within reason, in order to expedite validation and subsequent payments. Many of these 'glitches' have been, or will be sorted out within the coming days. Some rejections also come from the information supplied missing a digit, or bank accounts having been frozen, or closed etc.

A further validation problem exists with the validation of banking detail between the UIF and various banks, where the banking detail did not match with the person claimed for.

### **April Claims**

COVID-19 UIF/TERS claims for April is not closed, so if you have not done so as yet, you can still apply by visiting <https://uifecc.labour.gov.za>. The UIF have also confirmed that all April payments have not been paid as yet, so more April claims are still in the pipeline to be paid.

Should you be using an Apple device, rather use Google Chrome, or Firefox as the search engine, rather than Safari.

### **Claims for Foreign National Staff**

Many employers who applied on behalf of foreign national staff have experienced a rejection/delay in payment for April for this specific category of employees. UIF is aware of this. This is, in most instances, due to the fact that the system was only geared for the automatic recognition of South African ID numbers and did not recognise foreign ID or passport numbers. They now do cross-validation with both Home Affairs and SARS to assist with the validation process on passport numbers.

The UIF claims they are now sorting out many of the systemic problems that restricted the validation of foreign nationals however, many have now been paid in the last few days. More payment batches should still be paid in the coming week.

Where the employer submitted the monthly UIF declarations to the Department of Labour for their foreign national staff, the online application process is the same as for South African staff.

See the link below to the SATSA Troubleshooting Matrix on the information required to submit to [covid19Terssupport@labour.gov.za](mailto:covid19Terssupport@labour.gov.za) for staff who are foreign nationals.

Moreover, our fellow TBCSA member, SATSA, has a succinct '**UIF Trouble Shooting Matrix**' which they have kindly agreed for FEDHASA members to have access to.

Please click [here](#) to access the SATSA UIF TERS Troubleshooting Matrix.

### **Over and Under payments**

The UIF is working on the automatic processing of "over and underpayments" and this should be operational within the next week. It is anticipated that this will rectify a large part of the current over and underpayment and recovery issues automatically, which should reflect in the May pay-outs.

### **Is it an overpayment if an employee received more than their monthly UIF calculation for the first TERS submission in April?**

At the time of the commencement of the initial lockdown, the applications for COVID-19 UIF/TERS was not yet ready. Therefore, the UIF inserted the option of the payments to be calculated from 27 March to 30 April, the full 35 days of lockdown (Level 5 Lockdown period). It is not an overpayment if staff received a benefit of more than their ordinary monthly pay for the April month if the claim was for the 35-day period.

Moreover, if an employee who, for instance, only works 2-3 shifts per week and ordinarily earns less than R3,500.00 per month, i.e. R2,800.00 and now for April received R3,500.00 from TERS (or R 4027 if paid for the 35 day period from 27 March); this is not seen as an overpayment for that category of employee.

Where employers have paid a staff member a portion of their salary, they are still eligible for a top-up from the TERS fund, provided that the combined amount does not exceed 100% of the salary they would have earned? The amount paid by the company need to be inserted on application – i.e. when you apply, you insert the employee's ordinary salary and the value of the portion to be/paid by the employer.

### **Active Claims**

The UIF is aware that a huge number of employees have been declined because of so called "active claims" from as far back as 2017, this is due, in part, to system errors. This is part of the IT update they are doing and testing at the moment and it is anticipated that many of these will be resolved systemically over the next few days.

### **Can employees apply for UIF TERS themselves?**

A recent amendment to the Directive does allow for employees to directly apply for COVID-19 UIF/TERS Assistance (Government Gazette, dated 15 May 2020). This has caused confusion amongst employers. This is predominantly geared for instances where employers failed, or refused to apply for some reason on behalf of the employees. It is expected, however, that employers should still apply on behalf of their employees.

Either way, as ID's, claims, bank accounts etc, are validated going forward, it is unlikely that an employee will benefit twice in a particular period if he or she applies after the employer has applied on their behalf already, or vice versa.

### **Queries with UIF**

The UIF is aware of the problems that employers/employees have had to get into contact with them. This is to a large extent due to the unprecedented large volume of queries.

The dedicated TERS hotline can be reached at 0800 030 007. The number of call centre agents has now been increased to 500 (from the 75 agents, just more than a month ago) and this should reduce waiting time significantly. They are also in the ongoing process of being trained in order to more ably assist with queries on a broader range of queries, or to refer you to the correct information.

Moreover, the UIF is working on improving their e-mail and access capacity and updating the auto-responses to be more effective on instructions and information. The e-mail address for support from UIF to queries is [Covid19TersSupport@labour.gov.za](mailto:Covid19TersSupport@labour.gov.za) .

The link below to the Department of Labour documents gives further insight and directions on, a number of issues such as checking your payment status, obtaining a report on payments made, or declined and addressing some frequently asked questions with direction on how to resolve them. [http://www.labour.gov.za/DocumentCenter/Publications/Unemployment%20Insurance%20Fund/After%20Application%20Support\\_Covid19%20TERS.pdf](http://www.labour.gov.za/DocumentCenter/Publications/Unemployment%20Insurance%20Fund/After%20Application%20Support_Covid19%20TERS.pdf)