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EMPLOYER COMMUNICATIONS TO EMPLOYEES\_RE COVID-19 ADVANCES PAID IN MARCH 2020

### COVID-19 ADVANCES PAID IN MARCH 2020

The BIBC publishes benefit statements every year during April and September. Due to the lockdown period, we are behind in our cycle and are getting ready to publish the September benefit statements in the first week of October. We will send employers a further reminder when we have the actual date on which printed statements will be available.

Each year when this document is provided, we are inundated with employees claiming that their benefit statements do not reflect the number of days worked and for which they are entitled to receive benefit contributions. Our plea to employers is that you take full responsibility for communicating with your employees. To assist you with your own communications, we ask that you:

1. Remind your employees of the implications of the March 2020 Covid-19 advance/payout that was made at the request of the majority of employers in the industry.
  - a. This advance will be deducted from employees' December holiday payment amount.
  - b. Employees must be clear on what to expect so that they can plan accordingly.
  - c. Employees must remember that although the holiday period has been set from 2020/12/11 to 2021/01/08, they will have less income for that period, due to both the Covid-19 advance and the non-purchase of benefits during the 'hard lockdown' from April to May 2020.
2. Inform employees (before benefit statements are issued) of the status of your benefit contributions.
  - a. Do not wait for your employees to get their benefit statements to see that you are not up to date with benefit purchases. Employees have a right to know how you will rectify the situation i.e. get their benefit contributions up to date.

Employers are also reminded of the following:

3. You can negotiate with your employees (unions) and apply for exemption to work during the closed period. *See the excerpt below from BIBC Update 1.1 on 2 June 2020:*

EXEMPTION FROM PUBLISHED HOLIDAY PERIOD: BIBC processes allow for an exemption application to be submitted if employers wish to observe a holiday period other than what is published here. See "Application for Exemption (2019)" at: <https://www.bibc.co.za/compliance-a-monitoring/monitoring-compliance-useful-documents>. The form requires that employees are consulted as a condition for approval.

4. The legal implications of non-payment of pension including the provision of death and funeral benefits, etc.

## Conclusion

We wish you well as you provide clear communications to your employees, helping them to navigate this incredibly difficult period. **#StaySafe**

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