

Press release: Important victory as UIF C19 TERS benefit is extended to non-registered workers after legal action by worker advice organisations

On 25 May, the Minister of Employment and Labour extended the scope of the UIF's Covid-19 Temporary Employer Employee Relief Scheme (C19 TERS) to cover workers who are not registered for UIF. This comes on the eve of an urgent Labour Court application set down for hearing on 28 May, brought by the Casual Workers Advice Office (CWAO), Women on Farms Project (WFP) and the Izwi Domestic Workers Alliance (Izwi).

Workers who had previously been excluded from the scheme because their employers had unlawfully failed to register them for UIF will now qualify for the special benefit. Domestic and farm workers have been among the worst affected groups of workers by the prior exclusion of non-contributors from the scheme, due to the precarious nature of employment in these sectors and the high levels of non-compliance from employers. Many industrial workers in precarious forms of employment have suffered a similar fate.

This victory will be vital in securing the livelihoods of workers who have been most severely impacted by the economic consequences of lockdown. But the latest amendment to the C19 TERS Directive comes after an unnecessarily slow and protracted process.

On 1 April, a first letter was sent to the Minister and President pointing out that the scheme fell short of achieving its purpose, which was to provide income relief to workers whose livelihoods were threatened by the lockdown. We raised two main issues:

- 1) Workers were not allowed to apply for relief themselves. Instead, employers were 'encouraged' to apply on their behalf, but not required to do so. This meant workers had no access to relief if their employers did not decide to help them.
- 2) Income relief was only available for workers whose employers had complied with their legal obligation to contribute to the UIF, leaving the rest without any financial support to survive the lockdown. Workers were thus punished for their employers' illegal conduct.

The government's piecemeal approach to deal with these two straightforward issues has resulted in distress and hunger for millions of workers over the last two months.

On 16 April, the Minister amended the original Directive to provide that employers 'must' apply on behalf of their workers, but did not introduce an enforcement mechanism to ensure that they did so. This meant that many employers have either just ignored their obligation to apply or have submitted incomplete applications, resulting in countless claims being rejected.

Worse, as the Minister has himself acknowledged, many of the employers that did claim have either not handed the benefits over to workers or have paid workers the incorrect amount.

In another amendment signed on 30 April, the government made a complete U-turn, officially allowing workers to apply individually if the employer had failed to do so. As of today, there is still no clear information on how workers can apply.

This needs to be addressed urgently to accommodate the large number of additional workers who now qualify as a result of the most recent amendment. CWAO, Women on Farms Project and Izwi warn that should the Department fail to immediately open up a viable channel for individual applications, many vulnerable workers will continue to face extreme poverty.

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