



NATIONAL BARGAINING COUNCIL FOR THE CLOTHING MANUFACTURING INDUSTRY

HEAD OFFICE

Address: 7th Floor, Industria House, 350 Victoria Road, Salt River, 7925
Tel: 021 460 4000, **Fax:** 021 447 0628, **Post:** P O Box 1142, Woodstock, 7915 **Website:** www.nbc.org.za

11 April 2020

Commissioner Tebohu Maruping
Unemployment Insurance Fund
The Department of Employment & Labour
Email: tebohu.maruping@labour.gov.za

Dear Commissioner Maruping

LETTER OF CONCERN: COVID-19 UIF BENEFITS FOR CLOTHING INDUSTRY EMPLOYEES

I write this sincere letter to you, out of deep concern.

As you are aware, the National Bargaining Council of the Clothing Manufacturing Industry has concluded an Agreement with the UIF.

In terms of the provisions of that Agreement, the UIF is required to transfer COVID-19 TERS funds to the dedicated bank account of the bargaining council, in order for us to transfer it to the wage bank accounts of companies, to transmit to employees covered by sub-clauses 2.2 and 2.3 of Annexure A of our Agreement with the UIF.

As far as I am aware, we have to date fully co-operated with the UIF, despite all the difficulties. We remain committed to do so, as we are fully aware that the UIF Agreement with our bargaining council is unprecedented, and that there will naturally be many implementation hiccups.

We have agreed with yourselves that those hiccups will be practically resolved, as we proceed.

As far as I am aware, we have done our best, and timeously so, to resolve outstanding matters.

My very serious concern is that we have not received any UIF funds to date, as set out in our Agreement with yourselves.

It means that we might already be acting illegally, and in breach of the bargaining council's recent COVID-19 Lockdown Collective Agreement, as was enacted into law by the Minister of Employment & Labour when it was published in the government gazette on 26 March 2020.

The consequence is that tens of thousands of employees from our industry have not received the UIF Funds due to them, in terms of the provisions of sub-clause 4.1 of Annexure A of our Agreement with the UIF, for UIF payments which were due to them for the pay-week which ended on Friday 3rd April 2020.

REGIONAL CHAMBERS:

CAPE
Industria House
350 Victoria Road
Salt River 7925
P.O. Box 1142
Woodstock 7915
Tel: 021 460 4000
Fax: 021 447 0628

KWAZULU NATAL
127/129 Magwaza Maphalala Street (Gale Street)
Umbilo, Durban 4001
P.O. Box 18354
Dalbridge 4014
Tel: 031 362 0700
Fax: 031 307 6716

NORTHERN
1st Floor, Solly Sachs House
111 Commissioner Street
Johannesburg (CBD) 2001
P.O. Box 5105
Johannesburg 2000
Tel: 011 402 2737
Fax: 011 402 7375

We were hoping that those payments could have been effected this past pay-week, which ended yesterday, 10 April 2020.

Fortunately, in terms of the provisions of sub-clause 4.1 of Annexure A of our Agreement with the UIF, it was the employers' turn to pay wages this past week.

This has helped to mitigate the very real hardships which our industry employees are experiencing at the moment.

My major concern is that the UIF portion of wage payments are now due next week, for a whole week.

In order to effect those payments properly and timeously, wage clerks in our industry have to start preparing the payments on Tuesday next week.

Most companies in our industry are SMME's, and do not necessarily have sophisticated ICT systems at their disposal.

This already difficult situation is compounded even further, because we are now operating under COVID-19 lockdown conditions.

Should employees not timeously receive their wage payments due from their COVID-19 TERS benefits next week, we face a disaster of unimaginable proportions.

It is my considered view that we should jointly do everything possible to avoid such a terrible scenario.

It is in this context that I request that you urgently advise by when we could expect to receive the required employee UIF funds.

I am aware that it is a weekend, but we cannot let matters be left in the uncertain state that it is now.

I alert you that it is my intention to call a 08h30 meeting of our Co-ordination Committee on Monday morning, where we need to develop an industry information circular to inform clothing employers and employees about what the facts of the current situation are.

I would appreciate it that you advise by tomorrow evening, Sunday 12 April 2020, so that we could inform the industry by Monday 13 April 2020.

Yours faithfully



Marthie Raphael
National Chairperson
National Bargaining Council for the Clothing Manufacturing Industry