



## TEMPORARY EMPLOYER/EMPLOYEE RELIEF SCHEME (TERS)

### 1. THE CURRENT TERS PROCESS

- 1.1. The TERS process came into effect on 11 December 2019 when it was approved by the Director General of the Department of Employment and Labour.
- 1.2. In terms of the TERS process, the UIF may fund the distressed companies directly in relation to the TERS Allowance.
- 1.3. The distressed company will only be funded if it meets the key requirements of the UIF being:
  - 1.3.1. distressed company is able to demonstrate that it has been compliant with the relevant UIF legislation;
  - 1.3.2. if not compliant, the distressed company undertakes to pay outstanding contributions and bring its declarations up to date within a stipulated timeframe;
  - 1.3.3. the distressed company is able to demonstrate that it will/or has embarked upon a turnaround or sustainability programme which will result in job preservation at the expiry of the funding agreement; and
  - 1.3.4. the distressed company will be able to meet its obligations in relation to the UIF legislation.

### 2. CENTRAL ADJUDICATION COMMITTEE

- 2.1. The Central Adjudication Committee will consider applications of applicants and issue three (3) decisions being:
  - 2.1.1. if the applications is for wage subsidy, a wage subsidy ruling will be directed to the UIF for processing;
  - 2.1.2. where a company requires over and above wage subsidy and training intervention, CCMA will issue ruling directed at the relevant SETA; and



- 2.1.3. where a company requires turn around solution intervention, CCMA will issue ruling to Productivity SA.

### 3. SALIENT POINTS OF THE TERS PROCESS

- 3.1. Companies must send an application for TERS to the CCMA (applications should be sent to **MosaB@ccma.org.za**).
- 3.2. An internal process involving the Adjudication Committee and the UIF will take place.
- 3.3. Within 5 days of receipt of the applications, the company will receive a letter with a Ruling informing them of the success or rejection of the application.
- 3.4. A company with a successful application shall be required to enter into a formal Memorandum of Agreement (MOA) with the UIF.
- 3.5. A draft MOA shall be sent to the Company for inputs.
- 3.6. The draft MOA shall then be subjected to legal scrutiny and vetting. After which the final MOA (with all the required supporting documents) shall be signed by the Company and the UIF.
- 3.7. Upon conclusion of the agreement, the first tranche payment shall be made to the company within 4 days. It is important to note that TERS allowances payable monthly to each participating employee will not exceed R 17, 242.00.
- 3.8. A Monitoring Team shall be sent to the Company to ensure that the funds are utilised in line with the signed MOA, and that no bridge of MOA has occurred.
- 3.9. The remaining payments shall be made in line with the signed MOA.

### 4. Application forms and other relevant documents can be obtained from: [inforTERS@labour.gov.za](mailto:inforTERS@labour.gov.za)