

**Ministry**

**Employment & Labour**

**Republic of South Africa**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 1243 [NW1434E]**

**1243. Mr S L Ngcobo (IFP) to ask the Minister of Employment and Labour:**

(a) What financial strategies has his department adopted to sustain employment and support productivity between now and the end of the year and (b) how does he intend to ensure that companies do not shed employees once the Republic has emerged out of COVID-19? NW1434E

**REPLY:**

(a) The Department is working on a single source funding model for Productivity SA in line with the provisions of section 12 of the Employment Services, where funding will flow from the appropriation as well as the UIF in terms of section 5 (d) of the UI Amendment Act.

(b) The Department has made provision for (i) the Temporary Employer/Employee Relief Scheme (TERS) which is the outcome of the Presidential Jobs Summit Framework Agreement to assist companies facing economic distress (financial and operational difficulties) and contemplating retrenching workers. A Joint Adjudication Committee is established, and the CCMA, UIF and Productivity SA collaborate to assist the companies as provided for in the LRA and section 7 of the Employment Services Act.

Further interventions are through Productivity SA whereby the entity implement turn-around strategies and plans to restructure and improve the productivity and operational efficiency of companies facing distress to be sustainable, competitive and create conditions conducive for job retention and creation. Funds have been made available in this regard and for the 2020/21 financial year over R104m was allocated to Productivity SA.