

**Ministry**

**Employment & Labour**

**Republic of South Africa**

Private Bag X499, PRETORIA, 0001. Laboria House 215 Schoeman Street, PRETORA Tel: (012) 392 9620 Fax: 012 320 1942

Private Bag X9090, CAPE TOWN, 8000. 120 Plein Street, 12th Floor, CAPE TOWN Tel: (021) 466 7160 Fax 021 432 2830

[www.labour.gov.za](http://www.labour.gov.za)

**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 706 [NW908E]**

**706. Ms H O Mkhaliphi (EFF) to ask the Minister of Employment and Labour:**

(1) Whether he has been informed that a certain company (name furnished) has paid its workers with loans during the period of the lockdown to prevent the spread of COVID-19, which they will have to repay once they return to the workplace; if so,

(2) whether he has found that this constitutes a fair labour practice; if not, on what date does he intend to engage the specified company to stop this practice? NW908E

**REPLY:**

Our Department was made aware of this situation by the employees of the

said company. Concurrently, the employees referred the matter to the

Congress of South African Trade Unions (COSATU) for its intervention. The

Federation’s intervention led to the withdrawal of the loan offer by the said

company. The company offered to pay the employees, whilst working with

them to find a sustainable approach to supporting its workforce.

As the Department, we viewed the action of the company as unfair towards

the employees. We are happy that an amicable solution was found.