



DATED: 09 April 2020

TO: ALL SAMF PARTICIPATING EMPLOYERS IN THE MOTOR INDUSTRY

NOTICE: UPDATE WITH REGARD TO SICK ACCIDENT AND MATERNITY FUND CONTRIBUTIONS

MIBCO instituted breaks with regards to Sick Accident and Maternity Fund (SAMF) for the Covid-19 lockdown period. Breaks are based on the following conditions and intends to provide relief for employers impacted by the lockdown, which conditions are as follows:

1. A break can be created for employees who work, or is paid the equivalent of less 24 hours' per week and all SAMF benefits will be suspended in accordance with the SAMF Agreement.
2. A break cannot be created for an employee who works, or is paid an equivalent of 24 hours' per week or more:
 - Employers are required to contribute to SAMF as normal.
 - Benefits will be suspended accordingly, should contribution be in arrears or not be paid.
 - A 13-week waiting period will become applicable in the event that contributions are stopped by the employer, and once contributions are resumed at a later stage.
 - Employers that have stopped contributions are required to pay sick leave benefits themselves, in terms of the Basic Conditions of Employment Act.
 - All risk benefits such as death- and funeral cover will be suspended in the event that contributions are stopped.

These applications are in line with Section-35(4) of the Basic Conditions of Employment Act (BCEA) in the absence of the MIBCO Main Collective Agreement.

The MIBCO Team

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Good to Great Together