

# Coping with less - concerns over month-end salary



28 Apr 2020

For many South Africans, the figure for their April salary is a major concern. There are a number of concerns about the UIF processes as well as concern over whether or not paying certain debts will result in a negative for their record.



 $\bigcirc$  Andriy Popov - <u>123RF.com</u>

Since the extension to the lockdown, we also note the number those infected by the virus, as well as the number of deaths, increases each day.

It is foolish for us to be saying that people should have savings which they should use for this period. The reality is that if individuals were to have savings for a situation like this, then should we not be pointing fingers at businesses saying they too should have savings stashed aside to aid them in a time like this.

One cannot make a financial statement about someone's situation without knowing exactly what they have in their pockets. It is impossible to know what they spend their money on.

the sole bread winners in their home. It is almost impossible to decide who gets a full salary and who will get a salary based on their needs.

We also need to understand the following. In South Africa, the labour legislation applies. The two most important in this instance are the Basic Conditions of Employment Act (75 of 1997, as amended) and the Labour Relations Act (66 of 1995, as amended).

## Billable hours

Wage is dependent on the number of hours worked. It means the amount of money that is payable to an employee for the hours they work in a day or week. Wage is given in return for hours worked.

This means if an employee has worked, they will be paid. But we understand with the lockdown that might not be possible.

There has been a request made from the Department of Employment and Labour for employers to consider paying employees on lockdown. The suggestion is also for them to try to make up the difference from the UIF.

Over the next few days, payroll will be running its list for salaries. How will this be affecting the employees? What should they do if there is a shocking decrease in their expected income?

## **Open communication**

First and most important would be communication. Contact your manager to understand what the salary will be like should you have concerns. Communicating with your manager will allow you to decide what the company plan of action is and how you can budget to keep your home running during the month of May.

As employees, it is also important to acknowledge that the outbreak is no-one's fault. We should not blame our employers as this is not within their control. If we have to take a knock in our salary for this month, it is due to the circumstances that are not in our control.

### **Prioritise**

That being said, it is important to prioritise your budget. Weigh in on the essential payments. School fees are important even though the children are not in school at the moment. Groceries are a priority. Water, electricity and rent are crucial payments - ensure those are covered.

This might be an extremely stressful time for South Africans, but let us be grateful that we are home and safe with our loved ones and not out risking our health. Financially, it may take us time to recover. But have faith that this too shall pass.

#### ABOUT DEVAN MOONSAMY

Devan Moonsamy is the CEO of ICHAF Training Institute. ICHAF offers SETA-approved training in business skills, computer use, and soft skills. Devan specialises in conflict and diversity management, and regularly conducts seminars on these issues for corporates. To book a seminar with Devan or for other training courses, email devan@ichaftraining.co.za or call +27 (0)11 262 2461.

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