

8th September 2020

By Email: isaacanthony@yahoo.com

Mr I Anthony
Chairman
National Insurance Corporation
Francis Compton Building
Waterfront
Castries
St. Lucia

Re: Pro-rating of NIC benefits at ending of lay-off period

Dear Mr Anthony,

The SLHTA - on behalf of our members - wishes to express our profound gratitude to the NIC for having so proverbially saved the day for laid off hospitality workers. The extended period- ending on 30th September was certainly a much needed addition to the original three months of benefits given the prolonged and unprecedented nature of the crisis.

In our original forecasts there was anticipation that some business activity would return in the late summer and fall. Whilst a slow recovery curve has at all times been expected, we regret to say that the business volume and forecasted bookings until December are very worrisome. This can be confirmed by the Saint Lucia Tourism Authority who have been monitoring flight schedules which have been reduced for the next few months rather than expanded.

The slow recovery curve and lack of business in addition to the extension of Phase 1 has certainly created additional hardships for our hotels and tourism industry businesses and negatively affected bringing their staff back to work. Whilst some operators had no choice but to make all or a percentage of their staff redundant, others have committed to keep their team members on to see them through these hard times together, as it is expected that new jobs are not readily available. Keeping as many as possible of their team members employed was also a request made of tourism businesses by the Prime Minister in a recent meeting with the SLHTA.

By attempting to keep their teams together, and also pay attention to breaking the legal end of lay off period prior to 11th September, these businesses have begun to slowly rotate their team

members back into the work environment, albeit with short work hours. So in essence, a worker may have been employed for one week, but then laid off again for 2-3 weeks.

It has come to our attention that many of our businesses did this whilst anticipating that the NIC would make up for the shortfall by prorating what would have been the benefits due to the individual for the month of September. This assumption was made by our businesses as the NIC did in fact prorate benefits at the beginning of the lay off period, leading the businesses to believe that the same methodology would be applied at the end of lay-offs with team members perhaps working one week out of four.

The SLHTA recently held a meeting with the Minister of Labour and the Labour Commissioner who were of the same view and stated this in the meeting.

Nevertheless, to be absolutely certain, we reached out to Mr Mathurin and posed this question to him and received his reply, which for the sake of keeping our communication complete we have added in full below.

Regrettably his reply indicated that the NIC was guided differently

Regulation 10 - " The Director *shall* cease payments under the Economic Relief Programme for COVID 19 –

(a) If an insured person is re-employed during the payment period:

We seek your urgent attention to this matter as we would hate for our hospitality workers to have exchanged their full September benefit for one week of wages.

Our hotels would simply not be in a position to make up the difference to these workers. To re-emphasize, the business volume our businesses have experienced so far is even lower than anticipated and all businesses continue to suffer dramatic losses.

The SLHTA appeals to the NIC to please re-consider their position, or advise what documentation businesses would have to provide to highlight that workers were laid off again after one week at work.

We are all in this together and we hope that together, we can find a solution for the benefit of our workers. With NIC benefits coming to an end on 30th September and with continued slow business volume into winter, the Economic crisis will only now fully unfold. It would be helpful therefore, if employees would continue to receive the unemployment benefits from NIC for the month of September notwithstanding their one week attendance at work in order to reset the lay-off period.

The SLHTA will write to Government under separate cover to highlight this unfolding crisis as we see it shaping up for the next few months.

Yours sincerely



NOORANI M AZEEZ

CEO

St Lucia Hospitality and Tourism Association

cc. Mr Matthew Mathurin – Executive Director, NIC
Prime Minister Honorable Allen Chastanet
Minister of Labour – Hon. Stephenson King
Minister of Tourism – Hon. Dominic Fedee