

## **EMPLOYMENT (AMENDMENT) ACT, 2020**

(Act 20 of 2020)



I assent

Danny Faure President

1st June, 2020

AN ACT to amend the Employment Act, Cap 69; to regulate the deferment of payment, and the reduction, of wages of a worker pending the termination of the Government programme for salary support to workers as a result of the Covid-19 pandemic; to restrict the lay-off or redundancy of Seychellois workers in certain circumstances; to suspend any notice given to a worker until after 1<sup>st</sup> July 2020; and for matters incidental thereto.

**ENACTED** by the President and the National Assembly.

Short title

**1.** This Act may be cited as the Employment (Amendment) Act, 2020.

Amendment of Cap 69 as last amended by Act 24 of 2016 2.

- The Employment Act is amended as follows
  - (a) by inserting after section 39 the following section —

Prohibition against deferment or reduction of wages **"39A.**(1) Notwithstanding anything to the contrary in this Act, an employer shall not, whether with the agreement of the worker or otherwise —

- (a) defer the payment of wages, whether partly or otherwise, of a worker; or
- (b) reduce the wages of a worker;

without first initiating and complying with the negotiation procedure.

(2) Part 1A of schedule 1 shall, *mutatis mutandis*, apply to negotiation procedure under this section.

(3) Where consequent to the negotiation procedure, the competent officer determines —

(a) that payment of the wages may be deferred or that the wages may be reduced, as the case may be, the employer shall be entitled to defer payment of, or reduce, the wages in

accordance with the directions issued by the competent officer; or

(b) that payment of the wages shall not be deferred or that the wages shall not be reduced, as the case may be, the employer shall comply with the determination.

(4) In making a determination under this section the competent officer shall take into account all relevant matters and shall, notwithstanding any other time-limit set out in this Act or any other law, make a determination within a period of 14 days from the start of the negotiation procedure.

(5) The competent officer shall allow a deferment of the payment of the wages or a reduction of the wages, as the case may be, on being satisfied that the consent on the part of the worker to the deferment or reduction was obtained without any threat, duress, fraud or mistake.

(6) This section shall not apply to a worker in respect of whom the employer has not received full salary support from the Government without prejudice to the right of a worker to initiate a grievance procedure under Part III of Schedule 1. (7) This section shall lapse on termination of the Government programme for salary support to employees in the private sector as a result of the Covid-19 pandemic."

(b) by inserting after subsection 51 the following section —

Restriction on lay-off and redundancy of a Seychellois worker **51A.** An employer shall not be allowed to temporarily lay off or make redundant a Seychellois worker, if the employer —

- (a) is employing a non-Seychellois worker in a similar post as the Seychellois worker; and
- (b) has not initiated the negotiation procedure to temporarily lay-off or make redundant, as the case may be, the n o n - S e y c h ello i s worker.
- (c) by inserting after subsection 81(1) the following section —

Suspension	<b>"81A.</b> (1) Notwithstanding any other
of negotiation procedure	provision to the contrary in this Act, where —

 (a) an employer initiates, during the period from 20<sup>th</sup> March 2020 to 30<sup>th</sup> June 2020, the negotiation procedure for —

- (*i*) the reduction, or deferment of payment, of wages of a worker;
- *(ii)* the temporary lay-off of a worker; or
- *(iii)* terminating the contract of employment of a worker on the ground of redundancy; and
- (b) the competent officer, prior to 1<sup>st</sup> July 2020 approves, as the case may be —
  - (*i*) the reduction, or deferment of payment, of wages of a worker;
  - *(ii)* the temporary lay-off of a worker; or
  - *(iii)* the termination of the contract of employment of a worker on the ground of redundancy;

any notice given by an employer to a worker, on the basis of such approval shall not take effect prior to 1<sup>st</sup> July, 2020.

(2) Section 39A and subsection (1) shall be deemed to have come into operation on  $20^{th}$  March, 2020.

(3) Subsection (1) shall not apply to the negotiation procedure under

sections 48 and 51 in respect of a non-Seychellois worker, or a worker in respect of whom the employer has not received full salary support from the Government.

(4) Any negotiation procedure initiated or applied for prior to  $20^{th}$  March, 2020, shall remain valid.

I certify that this is a correct copy of the Bill which was passed by the National Assembly on 19th May, 2020.

There

Mrs. Tania Isaac Deputy Clerk to the National Assembly