March 27, 2020

The current global COVID-19 pandemic has presented Barbadian businesses with an unprecedented situation.

Many employers are seeking creative solutions, to ensure business continuity and provide employees with income, while working within

the confines of existing labour legislation that did not contemplate this reality.

We have been informed of a national curfew effective March 28th – April 14th in the first instance, as well as a reduction in commercial activity to essential services as advised by Government. Therefore, many employers will need to make decisions on operations, staffing and wages for the period.

Before making any decision, please carefully consider your industry, level of operation and financial situation.

It is essential that businesses make decisions carefully considering their industry, required operations and financial situation.

If your business is forced to close during this period below are some options to consider for payment of staff:

- Staff may be issued with special leave with full pay.
- A reduced payment can be granted to assist employees for the period.

- Holiday with pay may be used to cover the period.
- A combination of paid leave and holiday with pay can be used.
- Where the company cannot facilitate paid leave, lay-off should be utilized.
- Where employees continue to be employed via remote work, pay should continue as usual.

NOTE: In the absence of new legislation, employers are not legally required to pay staff when not at work.

NOTE: Where an employee produces a doctor's note recommending he/she should remain at home, the company may issue special leave with or without pay, based on the organisation's capacity.



UTILISING HOLIDAY WITH PAY

The below seeks to highlight considerations around utilising annual holiday (vacation) as an option at this time.

HOLIDAY WITH PAY ACT

SECTION 4

- (4) An annual holiday shall be given and taken in a single continuous period unless the employer and the employee agree otherwise, and where they so agree the annual holiday may be taken in two separate period or in such periods as may be agreed.
- (5) An employer shall determine the date on which the annual holiday of an employee is due to commence and shall give the employee no less than 14 days notice of the date on which that annual holiday is due to commence.
- (8) Where the employer and employee so agree, the annual holiday may be taken wholly or partly, in advance, that is before the employee becomes entitled to the annual holiday.

Key Facts to Consider

- The legislation currently remains in force and must be adhered to.
- The Act contemplates that agreement may occur between employee and employer.
- Employers can come to agreement with employees to proceed on vacation at short notice.
- Employees who do not wish to proceed on vacation with less than 14 days' notice must not be coerced to do so.
- If the business is experiencing a reduction in business then lay-off may be an option (see our guidance here).

It is essential that businesses communicate effectively with staff during this period. Where applicable, employers should engage trade union representatives.