

Please note...

COVID-19 (Coronavirus) UIF Benefits

The President of South Africa announced a total lockdown commencing Thursday March 26, 2020 until Thursday April 16, 2020 in the Republic of South Africa. The Minister of Employment of Employment and Labour Mr. Thulas Nxesi has confirmed that workers who are laid-off for the duration of the lock-down for the time period stipulated above may claim from the Unemployment Insurance Fund ("UIF"). The UIF will compensate affected workers through a National Disaster Benefit.

National Disaster Benefit Fund

The Minister has announced that the benefit payable by the UIF will be known as the National Disaster Benefit ("NDB") and will include: Illness, Reduced Work Time and Unemployment benefits.

It is crucial to note that this is as result of the Corona virus ("COVID-19") pandemic and is applicable to situations where employers close their businesses and send workers home. The Minister has defined such action by employers as "a temporary lay-off".

This benefit has been delinked from the UIF's normal structure. The credit accumulation rule states that for every 4 days worked the employee accumulates 1 credit per day and the maximum credit days payable for every 4 years completed will not apply all the time.

This benefit which is payable will be based on the existing credits and salary/ wages earned by the worker. In the event that that the amount is lower than the National Minimum Wage (NMW) the beneficiary (worker) will be paid the minimum wage for the 3 months of shut-down. Where wages/salaries of workers paid are above the NMW benefits will be paid as if the employees/workers had applied for the UIF's Ordinary Benefit.

Lay-Offs

Where an employee is ill, temporarily laid-off by the employer or unemployed for longer than 3 months, existing normal benefits will apply.

Documents Required:

UI 19 and UI2.7 (completed by Employer) ; UI2.1 Application Form; UI 2.8 Proof of Banking Details (completed by Bank); a Letter from the Employer confirming the shut-down or employee's "temporary lay-off" due to COVID 19 and a Copy of the worker's ID card/book.

NB: The benefit is payable at the flat rate not less than the minimum wage: R3 500/ month whichever is shorter. Employers and employees may not apply for the "National Disaster Benefit and any other UIF Benefits simultaneously.

Reduced Work Time

Where an employer shuts down operations for a certain period or implements reduced or short-time, the payment benefit amounts to the difference between the actual payment/s to the worker and normal benefits payable by the UIF should the workers lose their jobs.

Documents Required:

UI 19 and UI2.7 (completed by employer); UI 2.1 Application Form); UI 2.8 Proof of Banking Details (completed by Bank); a Letter from the Employer confirming Reduced Work Time is as a result of COVID-19 virus and a Copy of the worker's ID card/book.

NB: For every 4 days worked the employee/worker accumulates 1 credit per day, and maximum credits are paid as per the UIF's prescribed benefits structure commencing at 239 to 365 days.

Illness Benefits

Where an employee has been quarantined for 14 days, the UIF's Illness Benefit process will apply. A Confirmation Letter from both the Employer and Worker/ Employee have agreed to the 14 day 'special leave'. In the present instance the Letter from the Employer and the letter from the Employee/Worker will replace the medical certificate from the health practitioner. Benefits will be paid based on the Letter from the Employer and the Worker/Employee.

Where a worker has been quarantined for a period in excess of 14 days, a certificate from a medical practitioner must be submitted together with the Continuation Form UI 3.

Documents Required:

UI 19 and UI2.7 (completed by employer); UI 2.2 (a portion which is completed by the medical practitioner (where applicable); UI 2.8 (Proof of Banking details completed by Bank) and Copy of employee's/worker's identity card/book.

NB: For every 4 days worked the employee accumulates 1 credit per day worked and the maximum credit days payable shall be no more than 365 days.

Death Benefit

In the event of a worker passing away, the following will apply:

Benefits will be payable to the beneficiaries of the deceased. Persons eligible to apply include Spouse; Life Partner; Children and Nominated Persons, in this specified order.

Documents Required:

UI 19 and UI53 (completed by employer); UI 2.5 or UI2.6 (deceased application); UI 28 (Banking Details form completed by Bank) and a Copy of Deceased Worker's ID Card/Book.

N.B.: For every 4 days worked by the employee or worker 1 credit day is applicable up to a maximum credit days payable is 365 for every 4 years worked. Benefits are paid based on the prescribed benefits structure from 239 to 365 days.

Requirements and Where to apply for the UI benefits:

Employers must complete the UI19 and indicate last date of termination and the reason for such termination.

The forms may be submitted online at www.uifiling.co.za (Illness Benefits)

E-mail or fax the Application to the nearest UIF processing Centre (Illness/Reduced Work Time/Death Benefits).

Please Note that the nearest UIF Processing Centre (Illness /Reduced Work Time/ Death Benefits) as per attached list marked Annexure "A".

Rapid Response Teams:

Rapid Response Teams ("RRTs") have been established to assist employers with processes of claims where such employers have retrenched more than 50 employees as per attached List marked Annexure "B".

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