# **Basic Guide to The Unemployment Insurance Fund(UIF)**



# INTRODUCTION

The Unemployment Insurance Fund (UIF) was established under section 4 of the Unemployment Insurance Act (Act no. 63 of 2001), to provide short-term relief to workers, subject to certain conditions, when they become unemployed, or are unable to work because of illness, maternity or adoption leave, and also to provide relief to the dependants of deceased contributors.

# WHO DOES THE ACT APPLY TO?

The Unemployment Insurance Act and the Unemployment Insurance Contributions Act apply to all employers and workers, but not to; • Those working less than 24 hours a month for an employer;

- Learnerships;
- Public servants; Foreigners working on contract; and
- · Workers who only earn a commission.

### **REVENUE COLLECTION**

The UIF collects and receives revenue from contributions under the Unemployment Insurance Contributions Act (Act no. 4 of 2002), administered by the Commissioner of the South African Revenue Service (SARS). Employers who pay contributions via SARS must also register with the UIF and declare their employees.

## **PAYMENT OF CONTRIBUTIONS**

A worker should contribute 1% of his/her monthly remuneration and the employer should add 1%. The total cost of contributions to be paid over to the Fund is 2% of the payroll. Employers are required to pay contributions to the Fund before or on the 7th day of every month. Employers may also choose to pay the total contributions annually provided such amount is paid up front. The Fund holds dedicated bank accounts with the big four banks (Absa, FNB, Nedbank and Standard Bank). Payment can only be made once the employer is registered and has submitted a declaration. Contributions can also be paid through the uFiling system, which is accessible via www.ufiling.gov.za.

# Unemployment

13 Digit bar coded RSA ID or valid passport

Banking details in the form of UI 2.8

Declaration from employer in respect of employment details - employers to submit UI-19 to UIF

Registration as workseeker

N/A

Periodic continuation form (UI 6A) to be submitted on monthly basis

In case of voluntary severance package or early retirement, a UI. 2.11 form is required

#### **Eastern Cape**

T: 043 701 3128 F: 043 722 1012 3 Hill Street East London

# T: 051 505 6200 F: 051 447 9353 Laboria House 43 Maltland Street

**Free State** 

Bloemfontein **UIF PRETORIA** Operating Hours:

30 to 16: ay.	00, Monda	ay to

Telephone Number(s): Fax Number(s): Email Address: Street Address: Postal Address: 012 337 1700 (Switchboard) 086 713 3000 **UIF** Building The UIF Webmaster@labour.gov.za 012 337 1680 (Call Centre) Cnr WF Nkomo & Sophie de Bruyn Streets Pretoria 0800 843 843/0800 UIF UIF (Toll Free) 0052

# DECLARATIONS

All employers who employ any person and in return provide them with remuneration in either cash or in kind must register with the UIF as soon as they commence activities as an employer. It is the responsibility of the employer to register the business or household with the Fund and make the necessary deduction from the remuneration of the worker and also to declare any changes in the details of their employees i.e. new appointments, changes in remuneration, terminations or illness/maternity/adoption leave or in the event of the death of the worker. declarations could be filed manually.

NB: Monthly declaration of employees will make finalisation of claims easy and expeditious

# BENEFITS

The Unemployment Insurance Fund provides five benefit types: Unemployment

- Illness
- Maternity
- Adoption Dependants
- HOW TO APPLY

Applications for benefits can be lodged in person at any of the 126 Labour Centres nationally. In the case of maternity or illness benefits, applicants could arrange that the applications be submitted on their behalf.

The Fund recently introduced an on-line application tool called uFiling. uFiling enables claimants to lodge applications at any time in the comfort of their homes.

### **HOW TO CLAIM**

An application must be lodged as soon as the worker leaves or loses employment owing to retrenchment, ending of contract, dismissal, illness and maternity leave as it has an impact Employers are encouraged to submit declarations electronically in the form of their on credit days and qualifying criteria. A claim can however be submitted within 6 months of monthly payroll systems or through the easy to use uFiling system. Alternatively, termination of service (in the case of unemployment and illness). An application for maternity benefits must be lodged within 6 months after the birth of a child. Each benefit type has its own unique qualifying criteria.

> Clients should ensure that as and when they leave the employer, the employer has updated their employment particulars with the Fund. This will make the finalisation of the application easy and expeditious. The relevant forms can be obtained from any Labour Centre or accessed on the Department of Labour website.

A claim must be considered within the parameters of the law first before being approved. Should the claim not meet the gualifying criteria, the application will be declined and the client duly informed as to why this was so. A client has the right of appeal and can complete form UI 12 and state the reasons on which his/her appeal is based.

NB: Employees must confirm that the employer deducts and pays over contributions to the UIF every month.

while employed.

Illness	Maternity	Adoption	Dependants	Dependants (Children)
13 Digit bar coded RSA ID or valid passport	13 Digit bar coded RSA ID or valid passport	13 Digit bar coded RSA ID or valid passport	13 Digit bar coded RSA ID or valid passport for dependents and deceased Death Certificate	In case of a guardian, proof of guardianship is required and if applicable, a letter confirming that a minor is still in school and the birth certificate will be required. *Death Certificate
Banking details in the form of UI 2.8	Banking details in the form of UI 2.8	Banking details in the form of UI 2.8	Banking details in the form of UI 2.8	
Declaration from employer in respect of employment details - employers to submit UI-19 to UIF	Declaration from employer in respect of employment details - employers to submit UI-19 to UIF	Declaration from employer in respect of employment details - employers to submit UI-19 to UIF	Declaration from employer in respect of employment details - employers to submit UI-19 to UIF	
N/A	N/A	N/A	N/A	
Declaration in respect of remuneration received whilst on illness leave (UI 2.7), if applicable	Declaration in respect of remuneration received whilst on maternity leave (UI 2.7), if applicable	Declaration in respect of remuneration received whilst on adoption leave (UI 2.7), if applicable	N/A	
Periodic continuation form (UI 3) to be submitted on monthly basis	Periodic continuation form (UI 4) to be submitted on monthly basis	Periodic continuation form (UI 5) to be submitted on monthly basis	N/A	
			Marriage certificate or Lobola letter or an affidavit in the case of Life Partner	

	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	North -West	Northern
	T: 011 853 0300	T: 031 366 2000	T: 015 290 1744	T: 013 655 8700	T: 018 387 8100	T: 053 838
	F: 011 853 0470	F: 031 366 2300	F: 015 290 1608	F: 013 6902622	F: 018 384 2745	F: 053 83
	77 de Korte Street	267 Anton Lembede Smith Street	42A Schoeman Street	Labour Building	2 <sup>nd</sup> Floor Provident House	Cnr Comp
	Braamfontein	Royal Hotel 11th Floor	Polokwane	Cnr Hofmeyer Street and Beatty Avenue	University Drive	Kimberley
I	Johannesburg	Durban		eMalahleni	Mmabatho	



# labour

Department: Labour **REPUBLIC OF SOUTH AFRICA** 

# For quick and easy processing of your claim go to: www.ufiling.co.za

Also "Work and draw" is a crime, employees should refrain from claiming benefits

Northern Cape T: 053 838 1500 F: 053 831 3778 Cnr Compound & Pniel Road

Western Cape

T: 021 441 8992

F: 021 441 8135 4<sup>th</sup> -6<sup>th</sup> Floors, West Bank Building Cnr Riebeek & Long Streets Cape Town



