# UIF OPERATIONS AND CLAIMS PROCESSES







"The Unemployment Insurance Fund strives to contribute to the alleviation of poverty in South Africa by **providing effective short-term unemployment insurance** to all workers **who qualify** for unemployment and related benefits, and by assisting them in finding re-employment

### **BENEFIT TYPES**



## UNEMPLOYMENT BENEFITS

- CONTRACT EXPIRED
- DISMISSAL
- RETRENCHMENT
- VOLUNTARY
   SEVERANCE PACKAGE
- RETIREMENT
- BUSINESS CLOSED
- REDUCED WORKING TIME

#### **INSERVICE BENEFITS**

- MATERNITY
- PATERNITY
  - ILLNESS
- ADOPTION

#### DEPENDANTS BENEFITS

- SPOUSE
- LIFE PARTNER
- GUARDIAN OF CHILDREN
- INDEPENDENT CHILD
- NOMINATED BENEFICIARY

















#### 1.Unemployment Benefits/ Reduced Work Time Benefits

- Provide for the payment of benefits to contributors who lose part of their income owing/due to reduced working times. Is entitled to benefits if the contributor's total income falls below the benefit level that the contributor would have received if he or she had become wholly unemployed, subject to that contributor having enough credits
- Application period is 12 Months from date of termination

#### 2. Maternity Benefits

- Maternity benefits paid at a flat rate of 66%
- A contributor who had a miscarriage/stillbirth in the 3rd trimester is also now entitled to maternity benefits for the full period
- Paid to a maximum of 121 credit days
- Application period is 12 Months from Child birth

















#### 3. Illness Benefits

To provide that a contributor is entitled to illness benefits if the days of illness are seven days or more.

Application period is 6 Months

#### 4. Adoption Benefits

- adopted under the conditions described in the Child Care Act
- under 2 years old; and cared for by you when you are not at work.
- Application period is 6 Months from date of Issue of Adoption Order

















#### 5. Dependents Benefits

- (Surviving spouse, life partner, Guardian of dependent child(ren), Independent Child(ren) or nominated beneficiary)
- Extending a period in which the dependents may apply for benefits on behalf of the deceased from 6 months to 18 months.
- Section 30 is further amended by the insertion of a new provision allowing contributors to nominate their beneficiaries in cases of death
- benefits. Note: Forms and systems being upgraded accordingly.
- Note: If the surviving spouse or life partner has not made an application for the benefits within 18 months of the contributors death.
- (c) (1) Any nominated beneficiary of the deceased contributor may claim dependent's benefits subject to paragraph (b)
- (2) A nominated beneficiary will qualify for benefits if there is <u>no</u> surviving spouse, life partner or dependent children of the deceased contributor.
- Application period is 18 Months from date of Death

### **REQUIRED DOCUMENTS FOR EACH BENEFIT**



SPOUSE .	DEATH BENEFITS - LIFE PARTNER	DEATH BENEFITS - GUARDIAN	DEATH BENEFITS - INDEPENDENT CHILD	DEATH BENEFITS - NOMINATED BENEFICIARY
MANDATORY	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Copy of Valid 13 Digit Bar-coded South African ID / 13 Digit Bar-coded South African Passport /ID card and endorse on application form ID seen Certified copy of foreigner national identification document. (Valid Foreign National pessport/ID card/Asylum seeker/refugee document)	Copy of Valid 13 Digit Bar-coded South African ID / 13 Digit Bar-coded South African Passport /ID card and endorse on application form ID seen Certified copy of foreigner national identification document. (Valid Foreign National passport/ID card/Asylum seeker/refugee document.)	Copy of Valid 13 Digit Bar-coded South African ID / 13 Digit Bar-coded South African Passport /ID card and endorse on application form ID seen Certified copy of foreigner national identification document. (Valid Foreign National passport/ID card/Asylum seeker/refugee document)	Copy of Valid 13 Digit Bar-coded South African ID / 13 Digit Bar-coded South African Passport /ID card and endorse on application form ID seen Certified copy of foreigner national identification document. (Valid Foreign National passport/ID card/Asylum seeker/refugee document.)	Copy of Valid 13 Digit Bar-coded South African ID / 13 Digit Bar-coded South African Passport /ID card and endorse on application form ID seen Certified copy of foreigner national identification document. (Valid Foreign National passport/ID card/Asylum seeker/refugee document)
UI 2.5	UI 2.5	UI 2.6	UI 2.6	UI 2,6
UI 2,8	UI 2.8	UI 2.8	UI 2.8	UI 2.8
Copy of Death Certificate	UI 53 Copy of Death Certificate	UI 53	UI 53	UI 53 (nomination may be made whilst employed)
Marriage Certificate	Proof of Life Portnerable	Copy of Death Certificate	Copy of Death Certificate	Copy of Death Certificate

### REQUIRED DOCUMENTS FOR EACH BENEFIT



Marriage Certificate from Department of Home Affairs (Civil/Customary)	Proof of Life Partnership (at least one of the Indicated documents would suffice):  a. Proof of Shared Living Expenses b. Proof of Shared Accommodation c. Proof that provision has been made for one another in Terms of Medical Aid /Pension/Vill d. Any other valid supporting document(s) (Supporting Affidavit family or person of Social Standing)	Supplementary Documents proving the relationship of Child to Deceased (one of the following):  a. Full Birth Certificate/Birth Certificate b. Baptismal Certificate c. Order of Adoption Issued by a court d) Any other valid supporting document(s) (Copy of 13 Digit Bar- coded South African I.D of Child or Copy 13 Digit Bar-coded South African Passport of Child, Birth Certificate)	Proof that Child is a learner from the respective Institution prior to date of death, e.g. Confirmation from School/College/University /Training Institution)  Supplementary Documents proving the relationship of Child to Deceased (one of the following):  a. Full Birth Certificate/Birth Certificate b. Baptismal Certificate c. Order of Adoption Issued by a Court d. Any other valid supporting document(s)	Any other valid supporting document(s) proving nomination in cases where the UI 53 does not carry the information (Until one day before promulgation of the Amendment Act) E.G Will Nomination forms for other institutions like Pension or Provident Fund .
	·		OPTIONAL Document F192 can be requested from Home Affairs for <u>Fernale</u> deceased's' to confirm all biological children –	















#### 6. Parental Benefits

- Benefits paid at a flat rate of 66%
- Parent of a child who has been registered as the father of child
- Application period is 12 Months



### **FOREIGN NATIONAL APPLICATION PROCESS**

Foreign Nationals who have a valid passport/asylum seeker document may apply for UIF benefits

#### **Required Documents:**

- Clear (picture and writing) certified copy of valid passport or Asylum Seeker Document copy
- Three months payslips which reflects the last salaries paid while client was working
- Three months bank statement which reflects the amounts which were paid on the above payslips



### MAXIMUM CREDITS















- Contributor, Dependent or Nominated beneficiary may be entitled to the following benefits:
- 1. Unemployment Benefits (Section 17) includes Reduced Work Time Paid to a maximum of 365 credit days
- 2. Illness Benefits (Section 22) Paid to a maximum of 365 credit days
- 3. Maternity Benefits (Section 25) Paid to a maximum of 121 credit days (Benefits are De-linked) flatrate of 66%
- 4. Adoption Benefits (Section 28) Paid to maximum of 70 credit days
- 5. Commissioning Parental Benefits (Section 29) Paid to maximum of 70 credit days, flat rate of 66%
- Parental Benefits (Maternity, Adoption & Commissioning Surrogacy) (Section 29) Paid to maximum of 10 credit days, flat rate of 66%
- 7. Dependent's Benefits (**Section 31**) (Surviving spouse, life partner, dependent child(ren) or nominated beneficiary) Paid to a maximum of **365 credit days**



# HOW ARE CREDITS CALCULATED?















Employees accumulate 1 credit day for every 4 days worked

**Per Month**: Approximately 8 Credit Days

Per Year : 91.25

**Credit Days** 

2 Years: 182 Credit Days

4 Years: 365 Credit Days



# Maximum period paid – Sliding scales







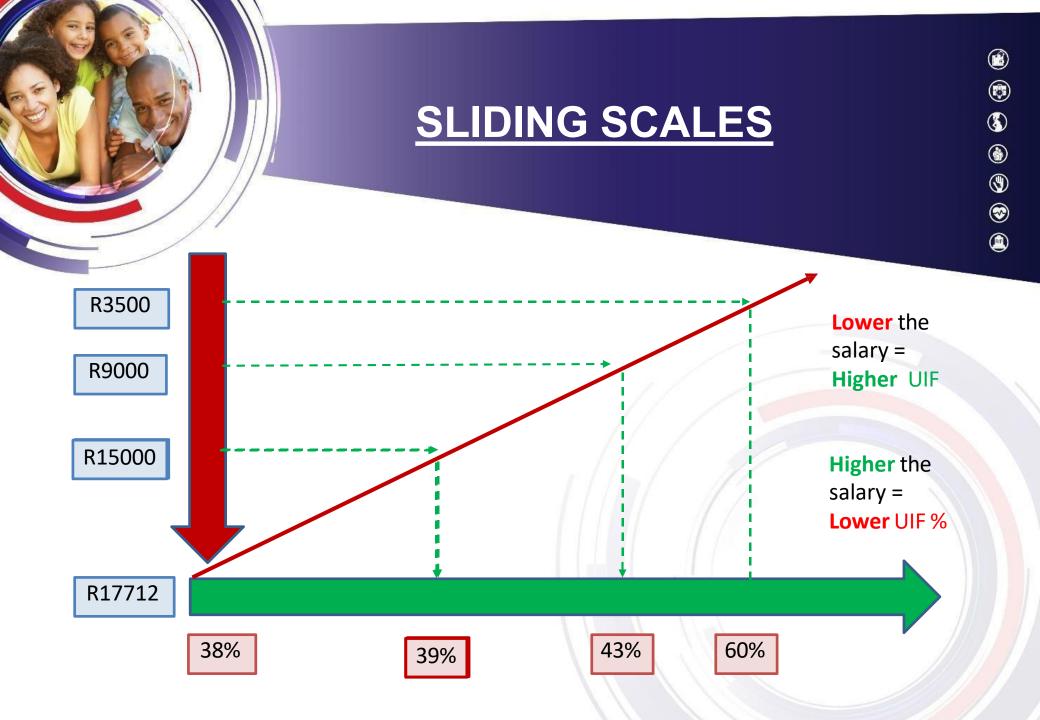








- UIF benefits are paid to a maximum of 365 credit days in a 4- year cycle (if individual was consistently a contributor for the entire period and did not claim UIF benefits except maternity which is de-linked)
- From 0 to 238 credit days' benefits are paid to sliding scale (38% 60%)
- From 239 to 365 credit days' benefits are paid at a flat rate of 20%





- UIF benefits are calculated according to a sliding scale from an Income Replacement Rate (IRR) 38% to 60%.
- Contributors who earned more than the ceiling are entitled to a flat benefit of 38 %. Flat benefit is equal to the entitlement of a contributor who was previously contributing at the ceiling
- Employees for example who have an average salary above R17712 for the **last 6 months** of employment and contribution will be paid at 38% of R17712 and percentage **Increases** accordingly as average salaries of employee's **Decreases**.

(Please find formula and explanation in slide 9)



### **FORMULA**













Example of Daily benefit amount to be paid by UIF per day

Average Salary x number of months in the year ÷ number of days
in the year =

Daily Income (Y1) from the Employer

Average Salary x 12  $\div$  365 = Daily Income (Y1) from the Employer R17 712 x 12  $\div$  365 = R 582.31

Example of Income Replacement Rate (IRR) calculation R17 712

#### Formula:

$$29.2 + (7173.92 \div (232.92 + Y1))$$
  
 $29.2 + (7173.92 \div (232.92 + Y1))$   
 $+582.31))$   
 $29.2 + (7173.92 \div 815.23)$   
 $29.2 + 8.8000$   
IRR = 38%

Example of Daily benefit amount to be paid by UIF per day R582.31 x 38% = R221.28 per day (at normal IRR 38%) R582.31 x 20 % = R116.46 per day (at 20%



# THE IMPORTANCE OF MONTHLY DECLARATIONS















Last 6 Months of contribution determines how much one will receive from UIF



Last 4 Years of contribution determines how long one will receive UIF





### **OVERPAYMENTS**

An overpayment debt are monies owed to the Fund as a result of excess payment of benefits or due to following types of errors.

WORK AND DRAW

•Client drawing UI benefits when they have resumed work

INCORRECT SALARY DECLARATIONS

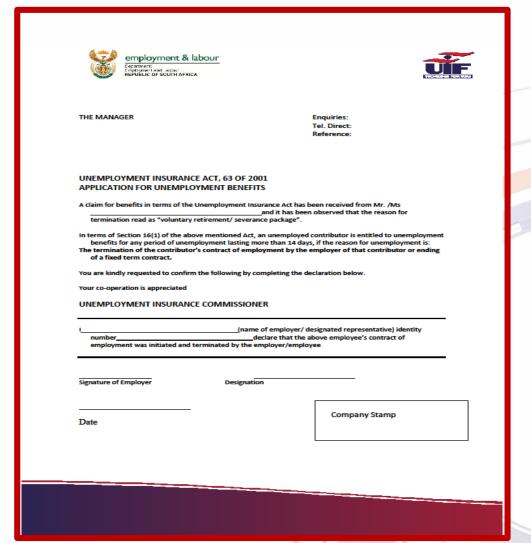
- Incorrect declarations captured on the system by the Employer.
- Incorrect period of Service declared on the system.
- Inflated Salary resulting in client receiving more benefits

INCORRECT RETURN TO WORK DATE

- •Incorrect return to work captured on the 2.7 form ( Maternity/Illness)
- •Incorrect TOP-UP Amount



# UI 2.11 FORM (RETIREMENT/ VOLUNTARY SEVERAGE PACKAGE UNDER 60 YEARS OLD)





# UI.53 FORM (DEPENDANT BENEFIT-NOMINATION FORM)

NOMINATION FORM	F BOUTH AFRICA	ANTS BENEFITS (	PLEASE NOTE THAT N	D ALTERATIONS ARE ACCESS	UI-50
(Employee's full vicinic   Currently employed a nominate the below in	t idividual(s) Indicated	, Identity Document	UIF Ref Number	Benefits in the event of m	, hereby y death.
Sumame	Full Names	Relationship employee	Date of Birth	Identity Document	
CHILD/REN I     Surname	Full Names		OR DEPENDANT	CHILD Identity Document	
3. NOMINATED	BENEFICIARY OF	YOUR CHOICE (#1	Valid ID/PassportiP Number	ne percentage must be allocate erm# Relationship to employee	d per nominae) Allocated percentage
Total Percentage					100%
I, persons shown above complete and re-subm Signed at:	e as dependents an it the form UI-53 to r	d/or nominees ma ny Employer for sui	y change, in the e	nat my circumstances and went there is a change, I artment of Employment & I	undertake to
EMPLOYEE'S SIGNATURE			EMPLOYERS SIGN	ATURE DA	



### **UI.2.7 FORM (INSERVICE BENEFITS)**

If an employee is receiving 100% or more of her/his salary they will not qualify for benefits.

(A)	In terms of section	19(1).	24(2)	and 27(3)	of the	abovementioned Act
1/1/	III tellilly of section	エノしょい	41(4)	and Lilai	OX UILO	TOO LOUIS TOUR TEN

I hereby certify that since (full date) 03/09/2024, the contributor is on

Sick leave X Maternity leave Leave due to the adoption of a child and

has will receive(d) the following remuneration

Gross remuneration (prior to confinement) Per Month / Per Week	Periods during which remuneration v		Gross remuneration received whilst on leave. (PM/PW)
9 338.55	03/09/2024	30/09/2024	7320,51
	01/10/2024	31/10/2024	10914,21
	01/11/2024	30/11/2024	10914,21
	01/12/2024	31/12/2024	10914,21
	01/01/2025	02/02/2025	85.62



### **UI.2.7 FORM (IN SERVICE BENEFITS)**

**Example of incorrect completion.** 

Only indicate the months where the employee is receiving less than 100% salary during leave period.

Parental Leave	Commissioning Parental Leave (SURROGACY)	Illness Leave	Maternity Leave	X	Adoption	Leave	Reduced Working Time
Periods during which alendar months)	h different rates of remur	eration were received where	ile on leave/RWT (To be	indica		whilst on I month)	nuneration received leave/RWT (Per
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om  - -	025 024	To 1-17	2-2022 0k=2023			242	10-00
om om		То	ON ROSH			2003	(5-00
om		To					



# UI .2.7 FORM (IN SERVICE BENEFITS) Incorrect completion. Period must be split in months, and not the entire period.

I hereby certify fromOI /	that the	1)b, 19(1), 24 e contributor 2024 (full d	would	recei					nuneration	as
Illness Leave	Ma	aternity Leav	e X	and the second	Adoption Leave			educed wor	king time	
Gross remuneration (prior to confinement/RWT) Per Month / Per Week		eriods during v	Gross remuneration received whilst on leave/ <del>RWT</del> (PM/P <del>W)</del>							
	From				То					
	From				То					
R46 000	From	01.08	, 20	24	То	31,	10	2024	R23 (	000
	From				То					
	From				То					



### **UI.19 FORM – MANUAL SUBMISSION**

No errors/corrections / alterations on the

forms will be accepted

Total (Gre Remuneratio to Employe Month	n paid e Per	Total Hours Worked during Month			nence: Emplo			rE		Тег		G ition I	Date		Reason for Termination (Use Termination Codes as supplied at the bottom of the page)	Indicate whether contributor or non- contributor (YES OR NO)	If non- Contributor state reason (Use codes at bottom of page)
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3600		180	0	8	0	1	2	0								YES	
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3600	_	180	0	5	0	1	2	0								TES	
3600		1 3O	0	8	0.		2	0			d E					465	
4000	-	120	0	8	0	1	2	0								765	
3600	_	180	0		0	4	2	6								765	
4000		180	0	8	0	-	2	0								165	

A Surname	B Initials	C ID Number (13 Digit bar-coded RSA ID No)							D* Total (Gr Remunerati to Employ Mont	on paid ee Per	aid Hours				F ment c symen		r		Ter		G tion I	Date		H Reason for Termination (Use Termination Codes as supplied at the bottom of the page)	I Indicate whether contributor or non- contributor (YES OR NO)	J ***  If non- Contributor state reason (Use codes at bottom of page)	
										R	e		D	D	М	М	Y	Y	D	D	М	М	Y	Y			
				-			N. T.			22500	00		0	1	0	5	9	7	2	6	0	3	2	0	COVID19	YES	
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### **UI.19 DATE OF ENGAGEMENT DIFFERS**

9	Comr	nence Empl			e of		G Termination Date					Reason Termination termination of as supplied bottom of page)	codes at the	Indicate whether contributor or non-contributor (YES OR NO)	If non-Contributor state reason (use codes as supplied at the bottom of the page
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$\dashv$	Н	-	_			$\vdash$		_	_				-		

Employment History	0-					
		View by Date Range			Δ	
		From 15/09/2020	To 15/09/2	2024 View		
UIF Reference No	Em ployer Nam e	Employment Start date	Employment End Date	Salary Frequency	Salary Amount	Reason for termination
		12/02/2018		Monthly	13650.00	
	and the second s	12/02/2018		Monthly	14210.70	
		13/04/2015	31/12/2017	Monthly	15957.59	Resigned
	<u> </u>	06/07/2020		Monthly	35964.00	



### WHEN IS A SALARY SCHEDULE NEEDED?

A salary schedule is only needed in the below scenarios:

- 1. An employer has not complied and declared monthly. The declarations are therefore not on our system and has to be manually captured.
- 2. An employer has declared however, there are months missing. A schedule will be requested for that specific month only.
- 3. A new employer who is declaring a new employee.

All employers are encourages to declare via the payroll system (EDEC).



# WHERE CAN YOUR EMPLOYEE APPLY?













Western Cape has 12 labour centres and 9 satellite offices across the province.

UFILING is available for submitting applications and payments for Ordinary and Maternity

applications only.





# MANAGEMENT CONTACT DETAILS













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