

## Unemployment Insurance Fund

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### **1. What is the Unemployment Insurance Fund (UIF)?**

The Unemployment Insurance Fund ('UIF') is established by the Unemployment Insurance Act, and provides short-term relief to workers when they become unemployed or are unable to work because of maternity, paternity, or adoption leave, or illness. It also makes provision for the dependents of a deceased worker, or for the loss of income due to reduced working time in certain cases.

Eligible workers in South Africa are required to register with and contribute to UIF on a monthly basis. Contributors to UIF who become unemployed or are unable to work can apply for: unemployment benefits; maternity benefits; paternity benefits; illness benefits; adoption benefits; and, dependant benefits (in the case of death of the contributor).

This explainer provides general information on UIF and accessing its benefits. For further information you can visit the website of the [Western Cape Government](#) or the [Department of Labour](#), contact the Client Service Centre of the Unemployment Insurance Fund (toll free, 0800 843 843), or speak to an official of the Department of Labour at your nearest Labour Centre.

### **2. Who contributes to UIF, and how much is contributed?**

The Unemployment Insurance Act and Unemployment Insurance Contributions Act apply to all employers and workers (including domestic workers), all of whom should contribute to UIF.

However, the following workers do not have to make contributions to UIF:

- workers working less than 24 hours a month for an employer;
- learners;
- public servants;
- foreign nationals working on temporary contract;
- workers who get a monthly State (old age) pension; or
- workers who only earn commission.

The following people must contribute to UIF when formally employed (unless excluded as above):

All persons lawfully employed in South Africa, such as:

- ✓ South African Citizens with a 13-Digit ID;
- ✓ Refugees with a Refugee Certificate or Refugee ID issued in terms of the Refugees Act;

- ✓ Asylum seekers with an Asylum Seeker Permit or Visa issued in terms of the Refugees Act; or
- ✓ Foreign national with valid passport/permit or 13-Digit ID (in the case of permanent residents)

As a worker, 2% of your monthly salary must be contributed to UIF. Your employer must contribute 1% and you must contribute 1%.

This should be deducted from your monthly salary, and should be reflected on your pay slip.<sup>1</sup> Every employee has the right to a pay slip and a written contract.

If you are not sure if you or your employer are supposed to pay contributions to UIF, speak to an official of the Department of Labour at the nearest Labour Centre.

### 3. Who can apply for benefits from UIF, and under which circumstances?

Any worker who has made contributions to UIF may apply for benefits when they become unemployed or are unable to work because of maternity, adoption leave, or illness. In the case of a deceased worker, the dependents can apply for benefits. The application would then have to be processed by the Department of Labour.

In order to be eligible for benefits, you must meet certain criteria or circumstances. These include:

Kind of claim	Circumstances or Criteria
Unemployment benefits	<ul style="list-style-type: none"> <li>✓ You are unemployed for more than 14 days;</li> <li>✓ You are unemployed because of termination, dismissal, insolvency, or if you are a domestic worker and the termination of the contract was because of the death of the employer, or if you lose income due to reduced working time (and that income is less than the benefits you would receive if you were wholly unemployed);</li> <li>✓ You are a registered work-seeker with a Labour Centre; and</li> <li>✓ You are capable and available for work.<sup>2</sup></li> </ul>
Maternity benefits	<ul style="list-style-type: none"> <li>✓ You were in employment for at least 13 weeks before the date of application for maternity benefits;<sup>3</sup> and</li> <li>✓ You are pregnant or recently gave birth;<sup>4</sup> or</li> <li>✓ You have a miscarriage during the third trimester or bear a still-born child.<sup>5</sup></li> </ul>

<sup>1</sup> Section 6(1), Unemployment Insurance Contributions Act, 4 of 2002.

<sup>2</sup> Section 16(1), Unemployment Insurance Act, 63 of 2001.

<sup>3</sup> Section 24(6), Unemployment Insurance Act, 63 of 2001.

<sup>4</sup> Section 24(1), Unemployment Insurance Act, 63 of 2001.

<sup>5</sup> Section 24(5), Unemployment Insurance Act, 63 of 2001.

Illness benefits	<ul style="list-style-type: none"> <li>✓ You are sick or ill for a period of seven days or more;<sup>6</sup></li> <li>✓ You are unable to perform work on account of illness; and</li> <li>✓ You fulfil any prescribed requirements in respect of any specified illness.<sup>7</sup></li> </ul>
Parental benefits	<ul style="list-style-type: none"> <li>✓ You were in employment for at least 13 weeks before the date of application for paternal benefits;<sup>8</sup> and</li> <li>✓ You have been registered as the father of a child; or</li> <li>✓ You are the parent of a child below the age of two in an adoption order; or</li> <li>✓ You are the prospective adoptive parent of a child below the age of two; or</li> <li>✓ You are the parent of a child who has been born as a result of a surrogate motherhood agreement.<sup>9</sup></li> </ul>
Adoption benefits	<ul style="list-style-type: none"> <li>✓ You have adopted a child or a child is placed in your care as a prospective adoptive parent by a competent court, pending the finalisation of an adoption order in respect of that child<sup>10</sup></li> <li>✓ The period you spent not working was spent caring for the child; and</li> <li>✓ The adopted child is below the age of two.</li> <li>✓ Note: Only one parent is eligible for adoption benefits.<sup>11</sup></li> </ul>
Dependent benefits	<ul style="list-style-type: none"> <li>✓ You are the surviving spouse or life partner of a deceased worker who contributed to UIF;<sup>12</sup> or</li> <li>✓ If there is no surviving spouse or life partner, or if the surviving spouse or life partner did not apply for benefits within 18 months of the death, and you are the dependant child of a worker who contributed to UIF;<sup>13</sup> or</li> <li>✓ You are the nominated beneficiary of the deceased and there is no surviving spouse, life partner or dependant children.<sup>14</sup></li> </ul>

#### 4. How do I apply for benefits from UIF, and when should I apply?

All applications should be made at your [nearest Labour Centre](#). Go as soon as possible. Timeframes within which applications must be made depend on the type of benefits one is applying for. The Unemployment Insurance Commissioner may accept a late application if good cause is shown. These timeframes include:

Kind of claim	When to claim?
Unemployment benefits	Within 12 months of the termination of the contract of employment <sup>15</sup>

<sup>6</sup> Section 20(2), Unemployment Insurance Act, 63 of 2001.

<sup>7</sup> Section 20(1), Unemployment Insurance Act, 63 of 2001.

<sup>15</sup> Section 17(2), Unemployment Insurance Act, 63 of 2001.

Maternity benefits	Any time before or after childbirth, provided that the application is made within a period of 12 months after the date of childbirth <sup>16</sup>
Illness benefits	Within six months of the commencement of the period of illness <sup>17</sup>
Parental benefits	Within 12 months after the date of childbirth  In the case of adoption, within 12 months after whichever date occurs first: the date a Court grants an adoption order, or the date the child is placed in the care of a prospective adoptive parent by the Court <sup>18</sup>
Adoption benefits	Within twelve months after the date of the order for adoption or the date a child is placed in your care as a prospective adoptive parent by a competent court, pending the finalisation of an adoption order in respect of that child <sup>19</sup>
Dependent benefits	Within 18 months of the death of the contributor <sup>20</sup>

To make a claim you will need the following documents:<sup>21</sup>

1. A valid form of identification, such as: a 13-Digit ID (Citizens or Permanent Residents); a valid passport/permit; a Refugee Certificate or Refugee ID issued in terms of the Refugees Act or an Asylum Seeker Permit or Visa issued in terms of the Refugees Act;
2. Form UI-2.8 for banking details;
3. Copies of your last six payslips;
4. The relevant UI application form for the type of claim (inquire at Labour Centre for relevant form); and
5. Relevant supporting documentation, i.e. proof of illness, adoption order, birth certificate, death certificate, etc.

Once you have the necessary documentation, you must go to your nearest Labour Centre themselves and hand in the documents. Staff at the Labour Centre should assist you with all the

<sup>9</sup> Section 26A, Unemployment Insurance Act, 63 of 2001.

<sup>10</sup> Section 27(1), Unemployment Insurance Act, 63 of 2001.

<sup>11</sup> Section 27, Unemployment Insurance Act, 63 of 2001.

<sup>12</sup> Section 30(1), Unemployment Insurance Act, 63 of 2001.

<sup>13</sup> Section 30(2), Unemployment Insurance Act, 63 of 2001.

<sup>14</sup> Section 30(2A), Unemployment Insurance Act, 63 of 2001.

<sup>15</sup> Section 17(2), Unemployment Insurance Act, 63 of 2001.

<sup>16</sup> Section 25(1), Unemployment Insurance Act, 63 of 2001.

<sup>17</sup> Section 22(2), Unemployment Insurance Act, 63 of 2001.

<sup>18</sup> Section 26B(2), Unemployment Insurance Act, 63 of 2001.

<sup>19</sup> Section 28(2), Unemployment Insurance Act, 63 of 2001.

<sup>20</sup> Section 30(1)(b), Unemployment Insurance Act, 63 of 2001.

<sup>21</sup> For more information, see <https://www.westerncape.gov.za/service/claiming-unemployment-insurance> or inquire at your nearest Labour Centre. For a list of Labour Centres, see: <http://www.labour.gov.za/Contacts/Labour-centres/Pages/default.aspx>.

processes and give you more information. Staff at the Labour Centre may ask for further documentation.

If you think you are eligible for benefits from UIF, or if you have any questions regarding the application process, speak to an official of the Department of Labour at your nearest Labour Centre.

#### **5. What benefits will I receive if I apply for benefits from UIF?**

If you are eligible for benefits from UIF, the level of benefits you will receive is dependent on your income and how long you have been a contributor to UIF. This calculation is made by the Department of Labour.

If you have questions regarding the level of benefits you will receive, speak to an official of the Department of Labour at your nearest Labour Centre for assistance.

Click [here](#) for a list of Labour Centres.

#### **6. Are refugees and asylum seekers able to contribute to and apply for benefits from UIF?**

Yes.

Amendments to the Unemployment Insurance Act Regulations came into operation on 14 February 2020, and allow asylum seekers who made contributions to UIF to access benefits from UIF. These Amendments are the result of [strategic litigation](#) undertaken by Werksmans Attorneys.

#### **7. I am a South African citizen and I am having difficulty accessing benefits from UIF. What can I do?**

If you are a South African citizen having difficulty accessing benefits from UIF, your first step should be to speak to an official of the Department of Labour at the nearest Labour Centre for assistance or to contact the Client Service Centre of the Unemployment Insurance Fund (toll free, 0800 843 843). Click [here](#) for a list of Labour Centres.

If you continue to have difficulty accessing benefits from UIF, keep a detailed record of interactions with the Labour Centre, including when you attended, which documents you submitted or received and copies thereof, and what information was provided for you, including reasons why you have not been assisted. You can use this information to seek advice. You can use this information to contact and seek advice from one of the organisations listed below.

Organisations you can contact for help include:

- **Socio-Economic Rights Institute of South Africa (SERI)**  
Website: [www.serisa.org](http://www.serisa.org)  
Tel: 011 356 5860

- **ProBono.org**

Website: <https://www.probono.org.za/>

E-Mail: [info@probono.org.za](mailto:info@probono.org.za) (Johannesburg); [infocpt@probono.org.za](mailto:infocpt@probono.org.za) (Cape Town); [gugulethu@probono.org.za](mailto:gugulethu@probono.org.za) (Durban)

Tel: 011 339 6080 (Johannesburg); 031 301 6178 (Durban); 087 806 6070 (Cape Town)

## 8. I am a foreign national, asylum seeker, or refugee and I am having difficulty accessing benefits from UIF. What can I do?

If you are a foreign national, asylum seeker, or refugee and are having difficulty accessing benefits from UIF, your first step should be to speak to an official of the Department of Labour at the nearest Labour Centre for assistance or to contact the Client Service Centre of the Unemployment Insurance Fund (toll free, 0800 843 843). Click [here](#) for a list of Labour Centres.

If you continue to have difficulty accessing benefits from UIF, keep a detailed record of interactions with the Labour Centre, including when you attended, which documents you submitted or received and copies thereof, and what information was provided for you, including reasons why you have not been assisted. You can use this information to seek advice. You can use this information to contact and seek advice from one of the organisations listed below.

Organizations you can contact for help include:

- **The Scalabrini Centre of Cape Town (Cape Town)**

Website: [www.scalabrini.org.za](http://www.scalabrini.org.za)

E-Mail: [info@scalabrini.org.za](mailto:info@scalabrini.org.za)

Tel: 021 465 6433

To access the paralegal team, please come to Scalabrini at 9am on a Tuesday, Wednesday, Thursday or Friday. Please bring all documentation with you, so that you can be advised on accessing benefits from UIF.

- **Lawyers for Human Rights (Nationwide)**

Website: [www.lhr.org.za](http://www.lhr.org.za)

Tel: 015 534 2203 (Musina); 031 301 0531 (Durban); 012 320 2943 (Pretoria); 011 339 1960 (Johannesburg)

- **Refugee Rights (Cape Town)**

Website: [www.refugeerights.uct.ac.za](http://www.refugeerights.uct.ac.za)

E-Mail: [refugeelawclinic@uct.ac.za](mailto:refugeelawclinic@uct.ac.za)

Tel: 021 650 3775

- **Refugee Rights Centre (Port Elizabeth)**

Website: [www.cla.mandela.ac.za/Refugee-Rights-Centre](http://www.cla.mandela.ac.za/Refugee-Rights-Centre)

Tel: 041 504 1310