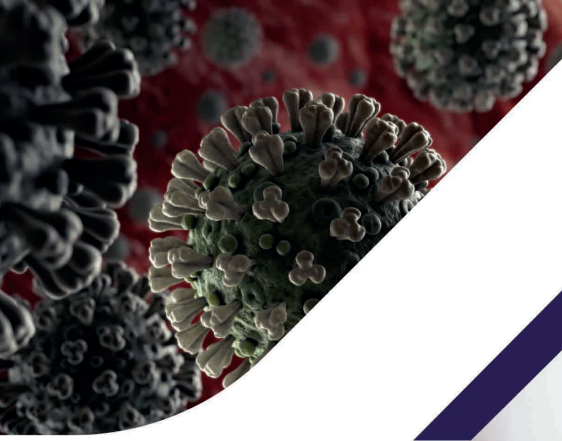
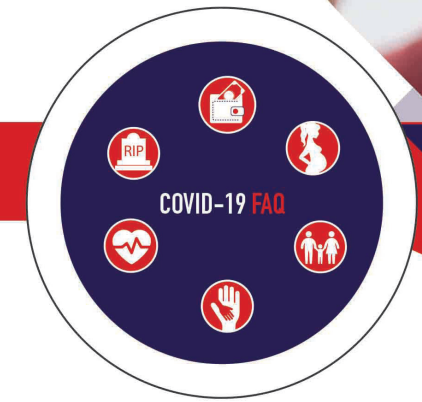




COVID-19 FREQUENTLY ASKED QUESTIONS

COVID-19 FAQ

COVID-19 PROCESS

1. WHO CAN APPLY FOR THE COVID19 RELIEF BENEFIT?

- Any UIF contributing business facing distress, unable to pay salaries as a result of the lock down period (27 March 2020 – 30 April 2020); and
- Any employee who is contributor (works more than 24 hours a month) and there is an employer and employee relationship.

2. HOW DO I APPLY?

Companies are encouraged to apply on behalf of their employees by:

- Visiting https://uifecc.labour.gov.za/covid19/
- Registering and follow application process
- Sending email to COVID19ters for a National Disaster Staff template should you needs to load a CSV file.
- An email will be sent to your mailbox to indicate successful transmission.

3. SHOULD I HAVE ENQUIRIES HOW DO I MAKE CONTACT?

Please call 0800 030 007 for any enquiries

4. WHAT IS THE DEADLINE FOR THE SUBMISSION OF APPLICATIONS?

This is informed by the Presidents pronouncement and right now it is for the period of 27 March until 30 April.

5. DO EMPLOYERS WHO ARE NOT REGISTERED WITH UIF QUALIFY FOR THE RELIEF BENEFIT?

Companies who have registered with UIF just after the 15 March 2020 may not be eligible for the Benefit.

6. DO INFORMAL BUSINESSES LIKE SPAZA SHOPS, HAIR SALOONS ETC. QUALIFY?

Yes, as long as they are registered with the UIF. Other Informal businesses not registered with UIF won't qualify for this benefit, instead they must check with the Department of Small Business Development for support they offer at www.dsbd.gov.za

7. AS A DOMESTIC WORKER, CAN MY EMPLOYER APPLY FOR THE COVID19 TERS BENEFIT?

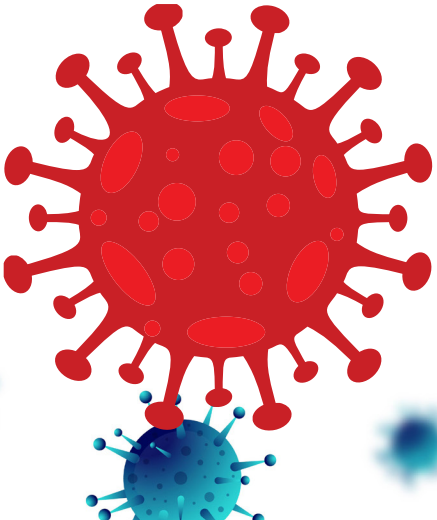
Yes, your employer can apply for the Covid 19 TERS Benefit provided you are registered with the UIF.

8. DO COMMISSION EARNERS AND FREELANCERS QUALIFY FOR COVID19 TERS BENEFIT?

In normal circumstances Commission earners and freelance employees are not contributors to the UIF, therefore they will be regarded as non contributors and will thus not qualify for this benefit.

9. HOW LONG DOES IT TAKE TO PROCESS THE APPLICATION?

IF application is complete and accurately captured the turnaround time will be 10 days.



"THE COVID19TERS BENEFIT WILL NOT AFFECT ANY CREDITS BECAUSE IT'S A SPECIAL BENEFIT."

10. HOW MUCH WILL I BE PAID?

COVID 19 TERS FORMULA

The minimum amount to be paid by UIF to clients is R 3 500.00.

The maximum amount to be paid by UIF to clients is R 6 638.40.

As per Schedule 2 of the Unemployment Insurance Act, No 32 of 2003 the benefit due is calculated as follows:

Daily income for weekly earners = Weekly rate *52 / 365

Daily income for monthly earners = Monthly rate * 12 / 365

Benefit = Daily Income * IRR

Where IRR is the Income Replacement Rate corresponding to the contributor's daily income, which is defined as:

The Income Replacement Rate (IRR) determines the percentage of a contributor's previous income to which the contributor is entitled in the form of benefits. The IRR is a variable, so it defines a sliding scale. A contributor who previously earned a low wage is entitled to receive benefits representing a larger proportion of her or his previous income than a contributor who previously earned a higher wage.

The IRR is at its maximum when income equals zero, and it reaches its minimum where income is equal to the benefit transition income level. The maximum IRR is fixed at 60%. The minimum IRR is currently set at 38%. However, the Minister may vary the minimum IRR in terms of section 12(3)(b).

Using current values, the IRR can be calculated according to the following formula:

IRR = 29.2 + (7173.92 / (232.92 + Yi))

Where Yi represents a contributor's monthly rate of income. (Consistency of units is essential. To calculate IRR from daily or weekly rates of pay, please refer to the more detailed explanation of the IRR formula in the technical note below.)

Scenario: 1

Worked as a contributor with the remuneration being R 4 000 per month. This remuneration will also be used as the average remuneration (earned 4 000 for the last 6 months).

Step 1: Determine Daily Income (monthly remuneration X 12/365)

R 4 000 X 12 = 48 000/365

Daily Income: **R 131.51**

Formula: 29.2 + (7173.92 / (232.92 + DI)
29.2 + (7173.92 / (232.92 + 131.51)
29.2 + (7173.92/ 364.43)
29.2 + 19.69
48.89

Client would be paid on an IRR of 48.89% for the number of days: R 131. 51 x 48.89% = R 64. 29 (Daily Benefit Amount)

	30 Days
Benefit amount	R 1 928.70

NB: In this scenario since the amount due to the client is below the minimum wage R 3500.00, the amount to be paid will be R 3 500.00.

Scenario 2

Normal Remuneration is R 18 640.76 which is above ceiling and calculations will be discounted as if remuneration earned is R 17 712

Step 1: Determine Daily Income: 17 712 x 12/365 = **R 582.31**

Formula: 29.2 + (7173.92 / (232.92 + DI)
29.2 + (7173.92 / (232.92 + **R 582.31**)
29.2 + (7173.92/ **815.23**)
29.2 + **8.80**
38%

Payment to be assessed in terms of sliding scale and in particular 38%

Client would be paid on an IRR of 38% for the number of days: R 582.31 x 38% = R 221.28 (Daily Benefit Amount)

Y30 Days

Benefit amount R 6 638.40

NB: The amount to be paid to the client for salaries above R17 712 per month is R6 638.40 Provided the employee received zero (R0.00) Salary during lockdown.

Example: From scenario 2 above;

Normal Remuneration is R 18 640.76; Determine Daily Income: 17 712 x 12/365 = R 582.31*38% = R 221.28

SALARY DURING LOCK DOWN: R10 000.00

	30 Days
Benefit amount	R 6 638.40

The amount to be paid by uif to the client will be **R6 638.40**.

Salary during lockdown: **R15 000.00**

The amount to be paid by uif to the client will be R3 640,76 (R18 640.76 – R15 000.00)

NB: The benefit amount (R6 638.40) Which uif must pay as per the directive added together what the employer paid (R15 000.00) Should not be more than the employee remuniration if there was no lockdown.

WILL NON-DECLARED EMPLOYEES RECEIVE BENEFITS?

All employees will be checked against our systems and if the employee is not registered with UIF, the application will be returned back requesting additional information from the employer.

WILL MY CREDITS BE AFFECTED AFTER I BENEFIT FROM A COVID 19 CLAIM?

NO, the COVID19TERS benefit will not affect any credits because it's a special benefit.

SHOULD I BE RETRENCHED AFTER RECEIVING THE COVID19 BENEFIT, CAN I STILL QUALIFY FOR OTHER BENEFITS?

Yes, you will be able to claim for the Unemployment Benefits since it is de-linked to the other benefit structure.

HOW WILL UIF MANAGE THE NUMBER OF APPLICATIONS COMING IN DURING THIS PERIOD?

- The online platform makes the process smoother to deal with the administrative burden, applications received online if complete and accurate will take 10 days to fulfil.;
- We have received assistance from other Institutions such as Banks, PWC, and Harambee Youth Employment Accelerator to assist in making the process smoother.

HOW IS THE MONEY GOING TO BE PAID?

Payments will be made to:

1. Employers
2. Bargaining Councils / Employer Associations
3. Employees

If I apply for less than 10 employees, would I be required to sign the Memorandum of Agreement / Understanding (MOA)

Applications are now taken on line for this benefit and as such, the MOA has an acceptance button attached. Please accept to move forward.

WHAT HAPPENS IF THERE ARE DELAYS IN PAYMENT UNTIL WE GO TO WORK AFTER THE 30TH APRIL, WILL I STILL BE ABLE TO RECEIVE THE BENEFIT?

Yes, if the application was submitted during the lockdown period the benefits will be paid.

FOR HOW LONG WILL I BE RECEIVING THIS BENEFIT?

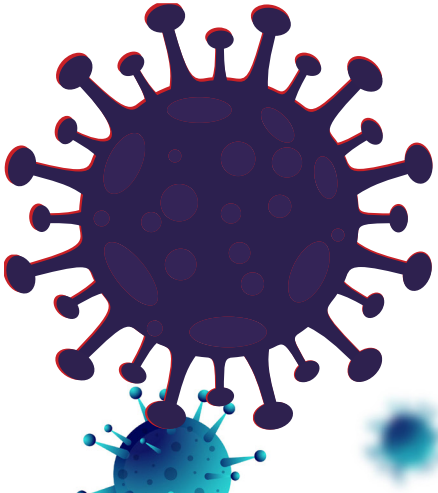
The benefit is applicable for the lock down period, Presidents guidance is applied.

WHAT SHOULD I DO IF MY EMPLOYER FORCES ME TO TAKE LEAVE, BUT WITH NO PAY?

The employer has the right to let you stay at home for the period of the lock down, but they need to assist employees to apply for the Covid 19 TERS Relief Benefit so that employees do not lose income.

ARE LABOUR CENTRES OPEN DURING LOCK DOWN?

No, labour centres are closed, however, the Department created a dedicated email address per each Province to deal with new and pending normal applications and enquiries in order to avoid movements to Labour Centres.



"COMPANIES WHO HAVE REGISTERED WITH UIF JUST AFTER THE 15 MARCH 2020 MAY NOT BE ELIGIBLE FOR THE BENEFIT."

The email address's are:

MAILBOX	FAX TO EMAIL NUMBER
Germiston.BCP@labour.gov.za	0864397295
Petermari.BCP@labour.gov.za	0864397296
EastLondon.BCP@labour.gov.za	0864397299
Capet.BCP@labour.gov.za	0864397300
George.BCP@labour.gov.za	0864397301
NorthWest.BCP@labour.gov.za	0864397302
Limpopo.BCP@labour.gov.za	0864397303
Mpumalanga.BCP@labour.gov.za	0864397304
Freestate.BCP@labour.gov.za	0864397305
Durban.BCP@labour.gov.za	0864397297
Portelizabeth.BCP@labour.gov.za	0864397298
NorthernCape.BCP@labour.gov.za	0864397309
Johannesburg.BCP@labour.gov.za	0864397294
Pretoria.BCP@labour.gov.za	0864397290

A Guide for electronic applications is available at: *www.Labour.gov.za*

WHAT HAPPENS TO BENEFICIARIES WHO HAVE BEEN RECEIVING BENEFITS PAYMENT PRIOR TO THE LOCK DOWN?

Beneficiaries who have been receiving benefits payment prior the lock down will continue receiving them without going to the Labour Centre, provided the benefits have not been exhausted

MY EMPLOYER IS FORCING ME TO WORK AND WE ARE NOT ESSENTIAL? MY EMPLOYER IS FORCING ME TO USE ANNUAL LEAVE?

Provincial Support Inspector

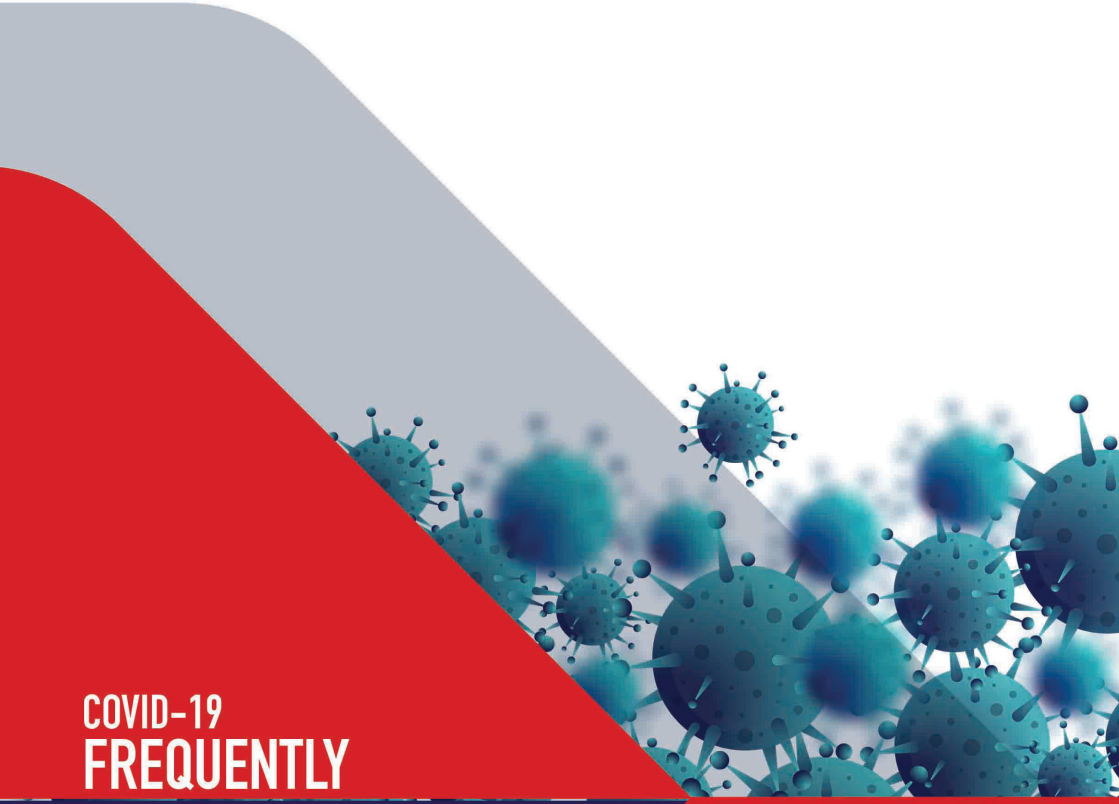
PROVINCE	CONTACT NUMBER
Eastern Cape	082 908 2318
Free State	066 304 3469
Gauteng	082 900 8131
KwaZulu-Natal	060 985 9286
Mpumalanga	081 382 4008
Limpopo	082 880 4297
Northern Cape	082 802 6796
North West	082 908 2308
Western Cape	082 791 4485

I ALREADY APPLIED FOR THE BENEFIT MANUALLY, DO I APPLY AGAIN?

We suggest you apply again through the on line portal due to 95% of the applications failing validation.

WHAT IF I HAVE MULTIPLE COMPANIES?

We insist on 1 application per company as each company has their unique UI Reference number with their own employees declared.



COVID-19 FREQUENTLY ASKED QUESTIONS

employment & labour
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Employment and Labour
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