

Circular 8 of 2020

23 March 2020

Dear Client

**RE: Easy – Aid Guide for Employers for UIF Benefits**

**COVID-19: National Disaster Benefit for Employees**

The Minister of Employment and Labour, Thulas Nxesi, has announced the highly anticipated measures that the Department will put in place to support and mitigate the impact of the COVID-19 pandemic on affected employees who are contributors to the Unemployment Insurance Fund.

**Temporary Lay-Off**

The National Disaster Benefit will be accessible to employers who, as a direct result of the current COVID-19 pandemic, decide to temporarily close their business. This will constitute a temporary lay-off. If the employer cannot pay his/her employees for this period, he/she can apply for the Benefit from the UIF. *The Benefit will not be linked to the UIF's normal benefit structure*, and will be paid as a flat rate – irrespective of term of service – up to the minimum wage of R3,500 per employee for the duration of the temporary business closure or a maximum of three months, whichever is the shorter period. This Benefit may not be used concurrently with any other UIF benefit.

The following documents are required when applying for this benefit:

- UI19 and UI2.7 (completed by Employer)
- UI 2.1 (application form)
- UI 2.8 (bank form completed by the bank)
- A letter from the Employer confirming company shutdown or employee's "temporary lay-off" is due to the Corona Virus
- Copy of employee's ID document

*Should an employee fall ill or is temporarily laid off or unemployed for longer than three months, the normal UIF benefits as below will apply.*

Directors

Mr. AE Steyn; Mr. C Swanepoel (LLB)

APPROVED MEMBER OF AHI EMPLOYERS ORGANISATION Reg. Nr. Ref No. LR2/6/3/475

Offices in

Cape Town - East London – Upington – Kimberley – Helderberg (Somerset West / Gordons Bay) – Johannesburg – Bloemfontein  
Klerksdorp – Centurion – Pretoria – Pretoria East - Greytown – Hoopstad – Christiana – Robertson – Hermanus - Vryburg

## Reduced Work Time

Should the business remain operational but implement Reduced Work Time, the Benefit payable to the employee will be the difference between what the employer pays and the UIF benefits should the employee lose employment.

The following documents are required when applying for this benefit:

- UI19 and UI2.7 (completed by Employer)
- UI 2.1 (application form)
- UI 2.8 (bank form completed by the bank)
- A letter from the Employer confirming Reduced Work Time is due to the Corona Virus
- Copy of employee's ID document

For every 4 days worked the employee accumulates 1 credit day, and maximum credit days payable is 365 for every four completed years. Normal UIF benefits are paid as per the prescribed benefits structure from 239 to 365 days.

## Illness Benefits/Quarantine (Special Leave)

Where an employee needs to be quarantined for 14 days, the Illness Benefit process will apply. A Confirmation Letter from both the employer and the employee must be submitted along with the application as proof that both the employer and employee agree to the quarantine (special leave). In this instance the letters will stand in place of the medical certificate normally required for the Illness Benefit as self-quarantined will be entered into without prior consultation with a medical practitioner. However, should an employee be quarantined for more than 14 days, a medical certificate from a registered medical practitioner must be submitted along with the Continuation Form UI3.

The following documents are required when applying for this benefit:

- UI19 and UI2.7 (completed by Employer)
- UI2.2 (a portion of which is completed by the Doctor)
- UI 2.8 (bank form completed by the bank)
- A letter from the Employer confirming Reduced Work Time is due to the Corona Virus
- Copy of employee's ID document

For every 4 days worked the employee accumulates 1 credit day, and maximum credit days payable is 365 for every four completed years. Normal UIF benefits are paid as per the prescribed benefits structure from 239 to 365 days.

Application forms can be downloaded from the Department of Employment and Labour website: [www.labour.gov.za](http://www.labour.gov.za).

In the event where more than 50 employees are being retrenched, the Department has established Rapid Response Teams to assist companies to process the applications. The teams will be deployed to the employer's premises in each province and employers are requested to contact their local labour offices to arrange appointments.

All forms required:

[https://www.dropbox.com/sh/gegeyzpk7er7rak/AABocGsD8XNILnA\\_rMi3DYEya?dl=0](https://www.dropbox.com/sh/gegeyzpk7er7rak/AABocGsD8XNILnA_rMi3DYEya?dl=0)

Kind regards

**Carlo Swanepoel**

**Chief Executive Officer**

Directors

Mr. AE Steyn; Mr. C Swanepoel (LLB)

**APPROVED MEMBER OF AHI EMPLOYERS ORGANISATION Reg. Nr. Ref No. LR2/6/3/475**

Offices in

**Cape Town - East London – Upington – Kimberley – Helderberg (Somerset West / Gordons Bay) – Johannesburg – Bloemfontein  
Klerksdorp – Centurion – Pretoria – Pretoria East - Greytown – Hoopstad – Christiana – Robertson – Hermanus - Vryburg**