

What Is Unemployment Insurance?

Sometimes bad things happen to good employees who are retrenched, down-sized...or whatever the company wants to call it. So Government has created the Unemployment Insurance Fund (UIF) to offer you a kind of insurance if you suddenly find yourself unemployed.

Who Contributes To The Fund?

Learners, public servants, foreigners working on contract, workers who receive a monthly pension and commission-only workers don't contribute to the Fund.

But almost everybody else does! Even if you work for only 24 hours a month you must contribute to the UIF. You don't have to pay the money yourself – your company pays it for you.

It's 1% of your total monthly salary and 1% from your employer, so a total of 2% is automatically paid into the Fund every month. And your blue card (held by your employer) states how much money has been paid into the Fund on your behalf.

Who Can Claim From The UIF?

Unemployed Workers: If you've been employed (i.e. if you've been a UIF contributor) in the past, you can claim.

Sick Workers: You can claim if you've been laid off due to ill health or if you're unable to do your job for more than 14 days.

Children of Deceased Contributors: If a worker dies, his or her children, spouse or life partners can claim. Those under the age of 21 or students under 25 count as "children".

Adoptive Parents: Parents adopting children younger than two years old can claim money for the period during which they stay at home to be a housewife or househusband.

Pregnant Women: If you're expecting a child, you're legally entitled to maternity pay. The UIF makes up the difference between your salary over 17 weeks of maternity leave and the maternity leave paid by your company.

**UIF contributions are calculated on salaries, payments
or remuneration up to R8 836 per month, so your
maximum monthly contribution – regardless of your salary
– is R88.36 (1%)**

How Do I Claim?

You must claim within six months of your employment being terminated (ended) and maternity pay must be claimed eight weeks before birth. If you're claiming as the child of a deceased contributor, you must claim within six months of the date of death and provide a death certificate as proof of death. Remember: there is sometimes a delay (of a month or two) before you receive your first UIF benefit.

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To Make A UIF Claim

Visit the Department of Labour office nearest to your home, phone (012) 309 5050 or check out www.labour.gov.za/contact/index.jsp

The amount of money you can claim depends on how long you've been working; that is, making UIF contributions. If you've worked for four years, you'll get the maximum amount – up to 58% of your income – paid to you over a few months. If you've worked for less time, expect less money over a shorter period of time.

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