

# Unemployment Insurance Act Regulations

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# 1 General Explanatory Note

Summary of the amendments of the Unemployment Insurance Act Regulations

## 2 Important Definition

<b>Small enterprise</b>	Means a small enterprise contemplated in section 1 of the National Small Enterprise Act, 1996.
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## 3 Reduced Work Time UIF Benefits

A contributor in any sector who loses his/her income due to reduced working time, despite still being employed, is entitled to benefits if the contributor's total income falls below the benefit level that the contributor would have received if he/she had become wholly unemployed, subject to that contributor having enough credits.

The income derived from reduced working time plus the amount of benefits calculated, may not exceed the benefits that would have been paid if the contributor had become wholly unemployed.

Reduced working time benefits must be calculated based on the remuneration of the contributor.

The new UI-2.1, UI-2.7, UI-6A and UI-19 forms make provision for 'reduced work time', please see section 6 (Forms) for more information.

## 4 Nominated Beneficiary

A contributor may nominate a beneficiary if he/she does not have a surviving spouse, life partner or dependant child by submitting the nomination form (UI-35) immediately on commencement of employment.

A contributor may change the nomination at any time by submitting a new nomination form.

If a contributor did not complete a nomination form at the commencement of new employment, the Fund must accept as valid, a nomination form completed at the previous employer.

The new UI-2.6 and UI-35 forms make provision for 'nominated beneficiary', please see section 6 (Forms) for more information.

## 5 Information to be Submitted by the Employer

An employer must within 7 days of the end of the month in which it commences activities as an employer, submit a completed declaration to the Commissioner.

Every employer must provide the Commissioner with all information (the required employer and employee details) and must do so by submitting a declaration of their employees electronically or by completing form UI-19.

Domestic and small enterprise employers may declare employees and pay contributions annually provided that the contributor's services are not termination, in which case, the declaration must be done upon termination.

## 6 Forms

The following regulations which refer to the UI-14 (Record of undertaking), UI-15 (Receipt of payment by employer), UI-16 (Issue of compliance) and UI-17 (Objection to compliance order) forms are repealed:

- Regulations 10 (Securing an Undertaking),
- Regulations 11 (Compliance Orders), and
- Regulations 12 (Objection to Compliance Orders)

Regulation 13, which used to refer to the UI-18 form (Information about employee supplied by employer) has changed to refer to the UI-19 form only.

The following new form is available to nominate a beneficiary:

- UI-35

The following forms have changed:

- UI-2.1, UI-2.2, UI-2.3, UI-2.4, UI-2.5, UI-2.6, UI-2.7, UI-3, UI-4, UI-5, UI-6A, UI-19

Please [click here](#) to view the Regulations containing the forms.

### Important changes to the UI-19

- Fax number was added (0866 323 503).
- Kimberley's number has been removed.
- Employer's branch no has been removed.
- Clarification has been provided that column D (Total/Gross Remuneration paid to Employee Per Month) refers to remuneration as specified by the Unemployment Insurance Contributions Act.
- Clarification has been provided that domestic employers should provide their surname and initials as the trading name of business.
- Clarification has been provided that the termination reason of 'constructive dismissal' (number 7) can only be determined by the CCMA, Bargaining Council or Labour Court.
- There is a new termination reason number 17 (reduced work time).
- Only 2 reasons for non-contribution are applicable (the rest have been repealed), namely –
  - temporary employees (less than 24 hours per month), and
  - no income paid for the payroll period.

Please note that currently it is unclear what non-contribution reasons should be used in the case of 'commission only employees', 'employees in the National and Provincial spheres of Government', and 'employees in receipt of pension payment from employer' – further clarity must be provided in this regard.

## 7 Effective Date

The Regulations have come into operation on a date of publication of the notice, which is 28 December 2018.

## 8 Sources

- Unemployment Insurance Act
- Unemployment Insurance Contributions Act

- Government Notice R.400 of 28 March 2002
- Government Notice R.536 of 23 April 2004
- Government Notice R823 of 10 August 2005
- Government Notice R.948 of 5 October 2009
- Government Notice R.1434 of 28 December 2018

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