



FREQUENTLY ASKED QUESTIONS ON COVID-19 TERS EXTENSION (16 October 2020 – 15 March 2021)

1. What is the period of the new extension?

The period for the current extension is from 16 October 2020 to 15 March 2021. This will be broken up into 2 claim & payment iterations as follows:

- 16 October until 31 December 2020
- 1 January until 15 March 2021

Claims can be made for the entire period, or for part of the period, as relates to the affected employee's loss of earnings.

2. Who qualifies in the new extension?

Primarily, the extension applies to employees within those sectors whose employers have not been able to operate fully due to restrictions as per directives issued.

In addition, payments will only be applicable to employees who are contributors to the UIF in terms of UIF Act, 2001. This means if the employee is registered with the Fund as a contributor and falls within the identified sectors or business establishments/activities (see Annexure A below), and have not been able to work normally, the employee qualifies to receive the benefit.

The following employees also qualify:

- In isolation and quarantine (due to Covid-19)
- Age of 60 and above (who could not be safely accommodated at work)
- With comorbidities (who could not be safely accommodated at work)

3. Has there been any change to the calculation of benefits?

Nothing has changed in relation to the calculation of benefits, as it is calculated in terms of section 13 (1) of the Act which is based on the Income Replacement Rate (IRR) of 38% - 60%. However, should the benefit calculated in terms of the IRR together with any remuneration earned fall below R3 500, the benefit will be increased to ensure that the employee, in total of remuneration received and benefits, receives R3 500.

4. What's going to happen to employees not covered in specified sectors?

Employees who continue to be affected by short time, shift rotations, temporary layoff, and other operational requirements related to current economic conditions, but who do not work in the specified sectors, will be entitled to claim relief under section 12 (1B) of the UI Act i.e Reduced Work Time.

5. How will claiming under 12 (1B) Reduced Work Time affect the employee's credits?

To assist employees to maximise the benefits associated with credits used in claiming under 12 (1B) Reduced Work Time, the Direction allows for the benefit calculated to be paid out in full (and not as usual to the benefit level), providing that when added to what the employee earned for work performed in the period, it does not exceed their normal earnings.

6. Who has to apply for the benefit under new extension?

Employers must apply for their employees via the Covid-19 TERS online portal. Employees can apply for normal UIF benefits should the employer not apply on their behalf.

7. If an employer applied for Covid-19 TERS previously, do they need to apply again?

Yes, if an employer applied in previous periods, and are in the sector covered by the Direction, the employer is still expected to apply for the new extension providing details of the effect on the earnings of the employee in the specified claim periods.

8. Will the applicant be required to submit the same documents submitted in previous applications?

As with previous claim processes, to apply for the new period, employers are required to upload the following documentation:

- Signed approval / acceptance letter
- Bank Confirmation Letter (no older than 3 months)
- Proof of payment to employees for previous claim (e.g. EFT, payroll report, recon)
- Refund to the UIF (if applicable)
- Further, letter of authority is required to lodge a claim

9. What if the employer is a first-time applicant?

If the employer never claimed for Covid-19 TERS benefits, then the employer needs to activate their profile online (uifecc.labour.gov.za). A UIF reference number and other company details are required. Follow the instructions to electronically sign the MOA and Letter of Undertaking, and upload bank confirmation letter.

10. I have previously applied for Covid-19 TERS Benefit, but never receive payment. Can I still apply for the new period?

An application can still be made, however the employer must state in the company letter, no payment was received to date, thus no proof of payments.

11. Why payments will only be applicable to employees who are contributors to UIF, and have been declared and paid for by their employers?

With previous iterations between 27 March to 15 September 2020 the UIF only checked compliance in terms of UIF registration and declaration, and with the new extension (16 September 2020 to 15 March 2021), the UIF also checks if the claimant is a UIF contributor.

ANNEXURE A

1. Cinemas	9. Night clubs	17. Beaches, dams, rivers and lake
2. Theatres	10. Swimming pools	18. Passengers ships
3. Casinos	11. Bars, taverns and shebeens	19. Venues where social events are held
4. Museums, galleries, libraries and archives	12. Public parks	20. Venues hosting concerts and live performance
5. Gyms and fitness centres	13. Domestic and international air travel	21. Hotels, lodges, bed and breakfast, time share facilities, resorts and guest houses
6. Restaurants	14. Rail, bus services and taxi services	22. Conferencing, dining, entertainment and bar facilities
7. Venues hosting auctions	15. E-hailing services	23. International sports, arts and cultural events
8. Venues hosting professional sports	16. Sale, dispensing and distributions and transportation of liquor	24. Any industries that form part of the value chain of the above as per the discretion of the UIF.

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