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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF EMPLOYMENT AND LABOUR

NOTICE 712 OF 2021

**DESTROYED, AFFECTED OR LOOTED WORKPLACES: TEMPORARY
FINANCIAL RELIEF SCHEME 2021**

DIRECTION BY THE MINISTER OF EMPLOYMENT AND LABOUR IN TERMS OF REGULATION 4(10) OF THE REGULATIONS MADE BY THE MINISTER OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS IN TERMS OF SECTION 27(2) OF THE DISASTER MANAGEMENT ACT, 2002 (ACT NO. 57 OF 2002)

I, **Thembelani Waltermade Nxesi**, the Minister of Employment and Labour, in terms of section 54(b) of the Unemployment Insurance Act, 2001 (Act No. 63 of 2001) as amended, hereby make the regulations in the *Government Gazette* which must come into operation as a matter of public interest without delay and accordingly on the date of publication in the *Gazette* and in terms thereof and/or procedures to be developed by the UIF.



MR T W NXESI, MP
MINISTER OF EMPLOYMENT AND LABOUR

DATE: 06/08/2021

REGULATIONS IN TERMS OF SECTION 54 OF THE UNEMPLOYMENT INSURANCE ACT, 2001

The Minister of Employment and Labour has, under section 54 of the Unemployment Insurance Act, 2001 (Act No. 63 of 2001), as amended made the Regulations set out in the Schedule.

SCHEDULE

1 Definitions

In these Regulations, unless the context otherwise indicates -

"Act" means the Unemployment Insurance Act, 2001 ([Act No. 63 of 2001](#)), as amended and any word or expression to which the meaning has been assigned in the Act has that meaning;

"Affected" means unable to operate as a result of closure of workplace where business ordinarily operates, on account of the unrest;

"closure of business" means the closure or partial closure of a business because the business was destroyed, damaged, affected or looted as a result of the unrest;

"remuneration" bears the same meaning as the definition of the term in the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997), as amended read with section 35(5) of that Act and the Schedule to Government Notice 69, GG 24889 of 23 May 2003;

"Scheme" means the Destroyed, Affected or Looted Workplaces Temporary Relief Scheme established in terms of the Act;

"sliding scale" means the sliding scale contained in the Act in accordance with which benefits are calculated in terms of the Act;

"unrest" means the civil unrest that occurred in the Gauteng and Kwa-Zulu/Natal Provinces during 09 to 18 July 2021;

"vulnerable worker" means a worker /employee in terms of section 5(d) of the Act who has lost remuneration in full or in part as a result of the closure of a workplace due to unrest;

"worker" means -

- (a) a contributor; or
- (b) an employee as defined in the Act who should have received benefits under these Regulations but for circumstances beyond that employee's control, namely that the employer failed to-
 - (i) register as an employer in contravention of section 10(1) of the Unemployment Insurance Contributions Act, 2002 ([Act No. 4 of 2002](#));
 - (ii) provide details relating to the employees in contravention of section 10(3) of that Act and accordingly not registered as contributors; or
 - (iii) pay the contributions contemplated in section 5(1) of that Act in respect of that employee.

“**workplace**” means any premises or place where a person performs work;

2. Purpose

The purpose of this Regulation is -

- (a) to establish a temporary relief scheme aimed at giving financial relief to vulnerable workers in terms of section 5(d) of the Act;
- (b) to provide the payment of temporary financial relief to vulnerable workers; and
- (c) to set out the application process for this temporary financial relief.

3. Temporary Financial Relief Scheme

- (1) Subject to sub regulation (2), workers who because of the closure of a workplace as a result of the unrest and are not being paid remuneration either in full or in part are entitled to the financial relief as follows:
 - (a) income replacement is calculated at the rate on the sliding scale (38%-60%) based on the employee's remuneration;
 - (b) the remuneration to be taken into account in calculating the relief is capped at a maximum amount of R17,712.00 per month; and

- (c) if income replacement falls below R3 500, the worker must be paid a replacement income equal to that amount or
- (2) Despite the calculation in sub regulation (1), the Minister or the delegated authority may, if financial considerations dictate, determine a flat rate for the financial relief under the Scheme if financial considerations dictate.
- (3) Subject to the amount of the temporary financial relief contemplated in sub regulation (1) or (2), an employee may only receive temporary financial relief if the total of the relief together with any additional payment towards relief or salary in any period is not more than the remuneration that the employee would ordinarily have received for working during that period.
- (4) The temporary financial relief provided in terms of these Regulations is de-linked from the Unemployment Insurance normal benefits and therefore the normal rule that for every 4 (four) days worked, the employee accumulates a one-day credit, and the maximum credit days' payable is 365 for every 4 (four) years does not apply.
- (5) The payment of the temporary financial relief to a worker in terms of these Regulations may only be done by a direct payment into the worker's bank account unless the Commissioner permits payment directly to the employer subject to such conditions as the Commissioner may specify.

4. Application Procedure

- (1) To avoid any in-person employee applications at Departmental offices for the temporary financial relief under the Scheme, an employer who has had to close its business as a result of the unrest must apply for temporary financial relief under the Scheme for and on behalf of its affected employees/workers in accordance with these Regulations.
- (2) For an employer to apply on behalf of its employees under the Scheme, it must satisfy the following requirements:

- (a) It must register and be registered with the Unemployment Insurance Fund;
 - (b) the employer's closure must be directly linked to the destruction, damage or looting of its workplace;
 - (c) it must confirm in writing or electronically that -
 - (i) it accepts the terms of the Scheme herein and / or in the procedure document issued by Unemployment Insurance Fund; and
 - (d) it must provide details of the destruction or damage to, or looting of, or closure of its workplace and submit documentary proof of a report to the South African Police Services, and proof that a case has been opened with a case number, and, if insured, proof of submission and acknowledgement of receipt of the insurance claim; and
 - (e) submit any other information that the Commissioner may require.
- (3) The employer must apply by reporting the closure of the workplace as a result of the unrest by complying with the application procedure issued by the Unemployment Insurance Fund.

5. Commencement and period of operation

- (1) This Regulation commences from the date of publication in the *Gazette*.
- (2) Its continued operation will be reviewed every two weeks by the Minister on the advice of the Unemployment Insurance Commissioner and terminated on notice in the *Gazette*.

6. Short title

This Regulation is called the "Destroyed, Affected or Looted Workplaces: Temporary Financial Relief Scheme, 2021".