

<p>Legal requirement</p>	<p>Unemployment benefits</p> <ul style="list-style-type: none"> • All farmers must be registered with either SARS or the UIF for the purposes of contributing to the Fund • All farmers must pay UIF contributions to SARS or the UIF in respect of their employees on a monthly basis 	<p>Unemployment benefits</p> <p>The Unemployment Insurance Act, 63 of 2001 ("UIA") and the Unemployment Insurance Contributions Act, 4 of 2002 ("UICA") provide for the regulation of different aspects of unemployment insurance. The UIA was enacted to establish the Unemployment Insurance Fund ("UIF") to provide for the payment from the Fund to certain employees upon certain events occurring. The UICA was enacted to regulate the collection of contributions to the UIF. The UIA provides for 5 different benefits (unemployment, illness, maternity, adoption and dependent benefits).</p> <p>In brief:</p> <ul style="list-style-type: none"> • The UIA only applies to persons who are considered "employees". In order to qualify as an "employee", the person must work more than 24 hours per month and receive remuneration for the services rendered. • Every employer and employee must, on a monthly basis contribute to the UIF. <p>The monthly contributions are shared equally between the employer and employee. The employer contributes 1% of an employee's salary and the employee contributes 1% of his/her salary. The total amount paid to the UIF is 2% of an employee's salary. There is an earnings ceiling upon which the 2% contribution is calculated. Currently that earnings ceiling is R14 872. This means that if an employee's monthly salary exceeds the earnings ceiling, the 2% contribution will be calculated in accordance with the earnings ceiling and no more.</p> <p>It is the employer's responsibility to ensure that it deducts, from its employees' wages, the employee 1% contribution.</p> <p>In terms of Section 10 of the UICA, where an employer is liable to pay contributions, the employer must register with SARS or the UIF office (whichever is applicable to such employer) for the payment of the contributions</p> <p>Employers must pay the 1% they deducted from workers, together with the 1% they have contributed, to the UIF or SARS before the 7th day of every month.</p>
--------------------------	---	--