

## Retirement and Unemployment Insurance Benefits

### The Unemployment Insurance Fund

The purpose of the Unemployment Insurance Fund (UIF) is to provide short-term relief to you as a contributing employee who become unemployed, or to your beneficiaries upon your death, to alleviate the harmful economic and social effects of unemployment.

### Unemployment benefits and normal retirement

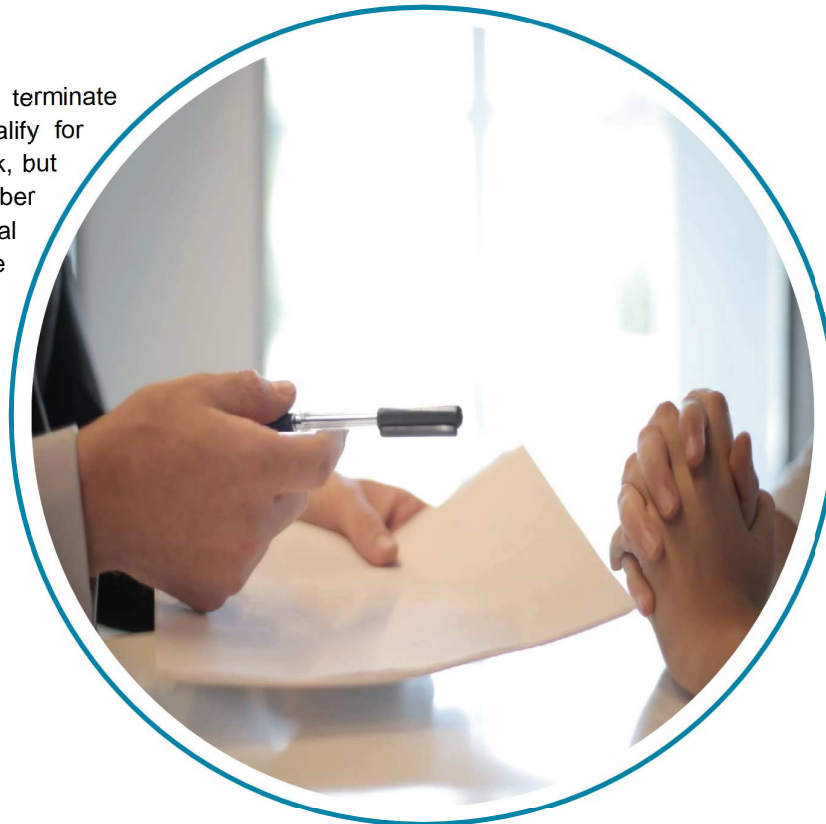
In terms of the Unemployment Insurance Act 63 of 2001, a person is entitled to unemployment benefits if the reason for unemployment is *“the termination of the contributor’s contract of employment by the employer of that contributor”*. Therefore, it also includes the scenario in the event that your contract of employment cease due to reaching the normal retirement age as imposed by your employer, as part of the terms and conditions of employment. So, when you, as a member of a private sector retirement fund attain the normal retirement age and retire from employment, you can lodge a claim for unemployment benefits with the UIF and UIF payments will be made to you, regardless of whether you are receiving a pension from the retirement fund, or an insurer. You will have to visit your nearest UIF office with a completed Form UI2.11 signed by your employer. The form serves as a declaration by your employer that the termination of your contract was initiated by your employer.

### Unemployment benefits and early retirement

The general rule is that if or when you voluntarily terminate employment, for example resignation, you will not qualify for unemployment benefits as you still had an option to work, but chose not to. In line with this rule, should you, as a member of a private sector fund elect to retire before the normal retirement age (voluntary early retirement), no claim can be lodged with the UIF. It is only when your employer compels you to elect early retirement that a claim can be lodged with the UIF and the conditions applicable to normal retirement will then apply.

### Older person’s grant (Old age pension)

If you become eligible to receive an old age pension from the state, you will not be entitled to UIF benefits.



## Former public sector employees

If you are a former public sector employee in receipt of a pension from a public sector fund, you may **not** claim unemployment benefits from the UIF.

### Process to submit a UIF application

After your retirement have been captured and approved by your HR department, the following forms, together with a copy of your ID document must be submitted to the Department of Labour within 6 months from the last working day:

Obtain from employer:

- Form UI.19. The employer will indicate that the termination of employment was as a result of retirement (code 3 on the form).
- Certificate of service.
- Salary schedule which reflects salary earned per month for the last four years.

Obtain from the Department of Labour:

- Form UI2.11 to be obtained from the Department of Labour.
- Form UI2.8 which is an authorisation to pay benefits into your banking account. The form must be completed by your nearest branch and it is important that the name of the banking official be completed in the relevant box.