

ECONOMY

UIF changes Ters payout process

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APPLICATIONS for the Unemployment Insurance Fund (UIF) Covid-19 Temporary Employee Relief Scheme (Ters) open tomorrow, but those affected by the recent looting will not be eligible to apply.

Minister of Employment and Labour Thulas Nxesi has signed the directive which allows for third phase of Ters, with payments set to start from July 26.

Employees who qualify for phase 3 of the payouts include those who work at venues hosting auctions, professional sports, venues hosting social events, concerts and live performances, the liquor industry, hospitality and tourism as well as any industries and businesses that form part of these value chains.

One of the major changes is that the UIF would be primarily making Ters payments directly to beneficiaries.

Acting departmental spokesperson, Musa Zondi, said the reason for this change was that "a lot of workers never received their monies (in previous payments) and some employers kept the monies for themselves and didn't give it to the workers".

Zondi said he was confident that the UIF would be able to collect all the data that it needs to make time-

ous payments. Acting UIF commissioner, Advocate Mzie Yawa, said: "It is therefore crucial for employers to provide valid and accurate details of their employees, including identity document numbers and valid bank accounts."

Yawa added: "We have learnt the lesson from the previous phases that some unscrupulous employers did not advance the funds to their employees and it is for that reason that we have opted for this mode of payment."

"As a result of the non-payment of workers, the UIF and the entire department were inundated with a lot of complaints as workers could see in the system that funds had been released but had not been paid by their employers who kept the Covid Ters funds for themselves."

Managing director of Nova Economics Kay Walsh said this was a precautionary measure.

"This is borne out of the fact that they are trying to curb corruption and I think ultimately it would be a good thing. The UIF was one of the more successful measures the first time round and it was very unfortunate that there was fraud and looting associated with the disbursement of some of the funds. "This and the social grants were probably the two most effective measures in terms of social relief," said Walsh. She said if people don't get

their payouts, the UIF would need to relook at its systems.

"If they pilot this and it doesn't work, they must just revert to the previous system. It was working fairly well and they obviously did their best to curb any fraud, so this is worrying and the system changes do tend to take a while especially a database of this size."

One of the options available to employers and employees affected by the looting incidents in Gauteng and KwaZulu-Natal is to claim from the SA Special Risk Insurance Association (Sasria).

The state-owned company is the only short-term insurer that provides special risk cover to all individuals and businesses who have experienced riots, violence and looting.

Managing director of Sasria, Cedric Masondo, said: "We have been deeply concerned since the outbreak of these riots. We are hard at work attending to the concerns raised by our clients and are attending to the claims we have received to date."

He added: "Though the assessing work has urgently begun, it must be noted it is still unsafe to travel to some of the hotspots. That means the assessments would take time for some claims, especially the big ones, requiring the indulgence of patience from everyone."

