

UNEMPLOYMENT INSURANCE FUND

PRESENTATION TO PORTFOLIO COMMITTEE

VERIFICATION OF THE EMPLOYMENT AND INCOME USING UIF DATABASE

2017.10.17



labour

Department:
Labour
REPUBLIC OF SOUTH AFRICA



CONTENTS

- ✓ Introduction
- ✓ Purpose
- ✓ Information Submitted By The Employer To UIF
- ✓ Linking Of The UIF Database With Other State Institutions
- ✓ Disclosure of Information
- ✓ Discussion
- ✓ Conclusion

INTRODUCTION

- ✓ The Unemployment Insurance Fund gives short-term relief to workers when they become unemployed or are unable to work because of maternity, adoption leave or illness.
- ✓ It also provides for relief to the dependents of the deceased contributor.
- ✓ The Unemployment Insurance Act, 2001 (Act. No. 63 of 2001) (UI Act) regulates the registration contributing employees by the employers with UIF.
- ✓ Employees who have been contributing to UIF can claim the UIF benefits, if they meet the requirements in terms of the Act.
- ✓ Section 57(1) of the UI Act provides that the Commissioner must create and maintain a database of contributors, beneficiaries and employers.

PURPOSE

- ✓ The purpose of this presentation is to inform the Portfolio Committee on Trade and Industry on the following issues:
 - Application process for requesting debt relief (verification of employment and income using UIF database);
 - Report and monitoring mechanism identified or to be identified; and
 - Any other concerns regarding the draft Framework Bill.
- ✓ To enable the Portfolio Committee to make a determination of whether the UIF can assist the DTI with the database to process the applications for debt relief.

INFORMATION SUBMITTED BY THE EMPLOYER TO UIF

- ✓ Section 56 of the Unemployment Insurance Act, 2001 (No. 63 of 2001) (UI Act) provides that:
 - (1) Every employer must, as soon as it commences activities as an employer, provide the information referred to in subsection (2) regarding its employees to the Commissioner, irrespective of the earnings of such employees.
 - (2) The information contemplated in subsection (1) must—
 - (a) include the street address of the business, and any of its branches, of the employer;
 - (b) if the employer is not resident in the Republic, or is a body corporate not registered in the Republic, include the particulars of the authorised person who is required to carry out the duties of the employer in terms of this Act; and
 - (c) include the names, identification numbers and monthly remuneration of each of its employees, and must state the address at which the employee is employed.

INFORMATION SUBMITTED BY THE EMPLOYER TO UIF

...2

- ✓ The UIF may allow the DTI to access the information on the database because the employer is required to submit to the UIF.
- ✓ The Information from the employer has full details on the employment and income of the employees.
- ✓ The DTI may use UIF database to verify employment and the income of the employee.
- ✓ The database is based on the information that is submitted by the employers.

LINKING OF THE UIF DATABASE WITH OTHER STATE INSTITUTIONS

✓ Section 57 of the UI Act provides that:

(3) (a) In order to determine the payment of benefits in terms of this Act, the Commissioner may access any information on a database of the State that contains information regarding social security.

(b) For purposes of paragraph (a) the Commissioner must co-operate with other State institutions to link their respective databases.

✓ In terms of the above section the Commissioner may co-operate with other State Institution to link their respective databases for the purposes of determining benefits.

DISCLOSURE OF INFORMATION

✓ Section 63 UI Act provides that:

(1) Subject to the provisions of the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000), no person may disclose any information obtained by that person in the performance of functions contemplated in this Act, except—

(a) to the extent to which it may be necessary for the proper administration of a provision of this Act;

(b) for purposes of the administration of justice; or

(c) at the request of the Minister, the Director-General or any other person entitled to the information.

✓ In terms of the above section, UIF may allow Trade and industry to access the information that is on the UIF database.

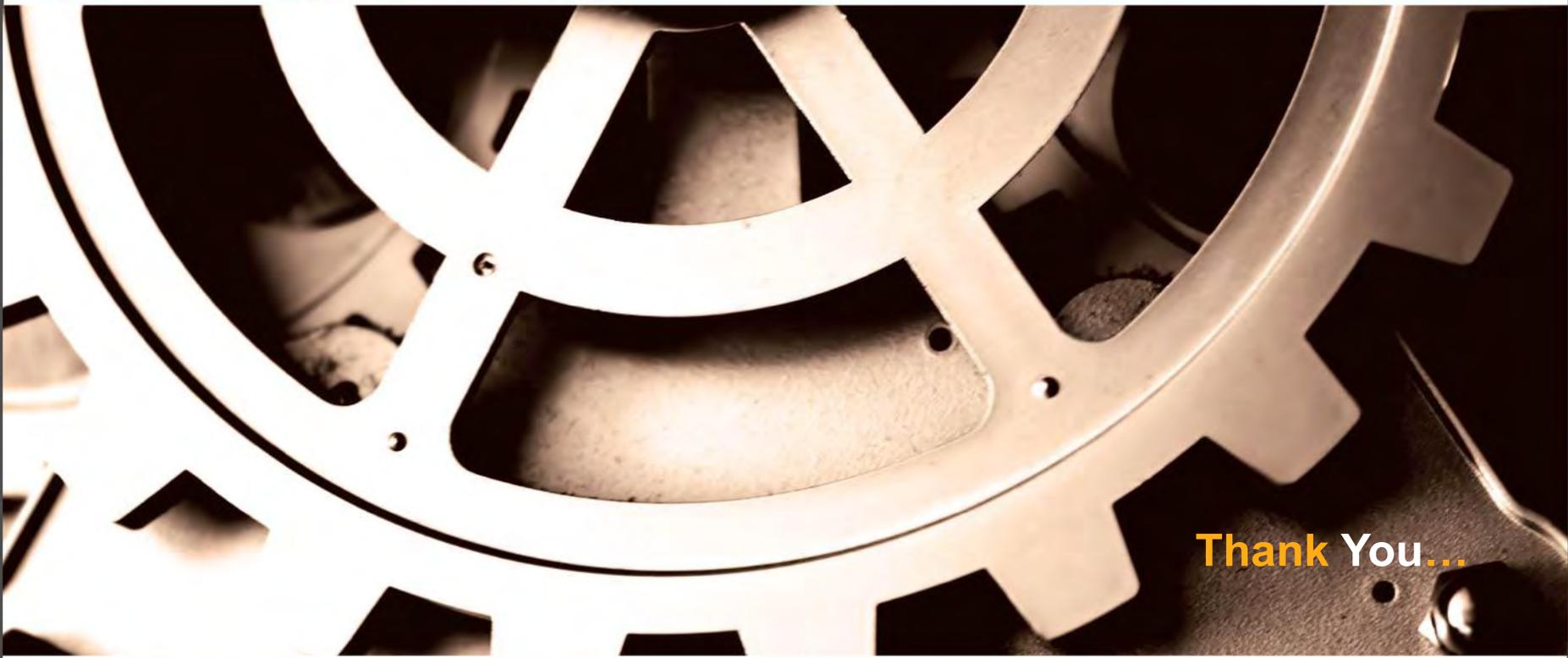
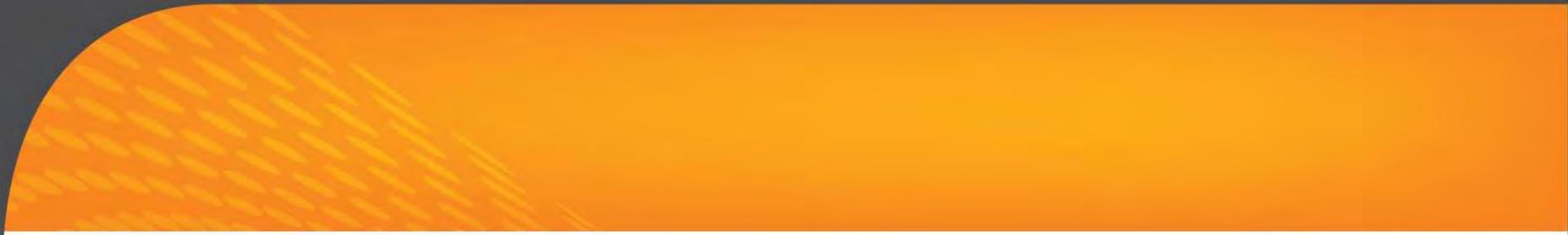
✓ UIF and the DTI should enter into a co-operative agreement in order to regulate the processes of verifying the employment and the income of the debt relief applicants.

DISCUSSION

- ✓ Trade and Industry must treat the information from the UIF database as strictly confidential, and not to divulge to any third or use it for any purpose unrelated to the processing of debt relief applications.
- ✓ The UIF does not guarantee that the information on the database is up to date and a true reflection at any point in time of request due to the fact that the UIF depends on the information that is submitted by the employers. - **Questions?**
- ✓ The DTI should ensure that verification of employment and income of the debt relief applicants complies with the requirements for Protection of Personal Information Act, 2013 (Act No. 4 of 2013) (POPI ACT).
- ✓ The access to the UIF database should be to a limited number of users.
- ✓ UIF will monitor the periodical renewal of user's credentials and change of user's password.

CONCLUSION

- ✓ In conclusion, the UIF can be able to provide the DTI with the database, provided that the DTI use it for the purpose of processing applications for debt relief, not for any other purpose.



Thank You...

