Amended unemployment bill presented to Portfolio Committee

South Africa's labour force can expect an improvement in the payment of benefits when the Unemployment Insurance Amendment Bill is signed into law.

Unemployment benefits have been extended for up to 12 months. Image: LED

The Department of Labour presented the amendments to the bill to the National Assembly's Portfolio Committee on Labour this week. It must be approved by Parliament before it can be passed into law.

The bill has been approved by Cabinet, with the National Economic Development and Labour Council (Nedlac) concluding deliberations on it last November.

Briefing the Portfolio Committee, Thembinkosi Mkalipi, acting deputy director-general for labour policy and industrial relations, said the overall aim of the amendments was to address the issue of workers who are excluded from the Unemployment Insurance Act.

Mkalipi said the amendments will enable the country to conform to the International Labour Organisation's standards of improving the payment of benefits to contributors and extending the period within which benefits are payable.

"In order to comply with the Constitution of South Africa, the bill had to address the exclusion of civil servants in the current legislation," Mkalipi said.

The proposed amendments to the act deal with issues such as:

- Including learners, public servants and foreign workers who are currently not covered in terms of the provisions of the Unemployment Insurance Act;
- Extending the period of payment of benefits to the contributor from eight to 12 months;
- Increasing the period in which a contributor can lodge a claim (from six month to 12 months);
- Allowing beneficiaries to claim if they have credits regardless of when they submitted a claim;
- Providing for the nomination of beneficiaries in case of death benefits;
- Assisting in financing the employment promotion projects by the Public Employment Services,

- Giving the Labour Minister the power to vary the income replacement rate through regulations.