

Compensation Benefits

COID Amendment Breakfast
29/09/2023



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

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Documents that support a claim
for compensation



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Requirements for Domestic workers

1994 – 2020 claims

Certified copy of valid identity document of injured employee

Additional details for fatal claims

- Certified copy of death certificate if died as a result of IOD/OD
- Certified copy of marriage certificate
- Certified copies of dependents' identity documents
- Details of funeral costs

Duly completed accident report or occupational disease report (WCI 1 or 2)

- Employer must register with CF
- Affidavits may be considered
- Contact details of employer
- Proof of earnings (**may be completed on the WCI 1 or 2**)
 - Earnings from all employers as at date of injury or diagnosis of OD
 - Minimum earnings will be applied if no proof of earnings
- UIF declarations may also be used to prove employment and earnings

Medical reports

Banking details in the prescribed format



Source documents required from injured employees

A duly completed Employer's Report Accident (W.Cl. 2) or Occupational Disease (W.Cl. 1)

Copy of valid identity document issued by the Department of Home Affairs for RSA citizens.

Certified copy of identity document (passport/work permit/asylum seeker– identity documents)

Notice of an Accident and Claim for Compensation (W.Cl. 3/14)

Relevant questionnaires/report related to the specific condition, if and where applicable

Proof of employment (Pay slip or copy of the service contract or letter on an official letterhead by the employer, confirming employment)

Medical reports in the prescribed manner



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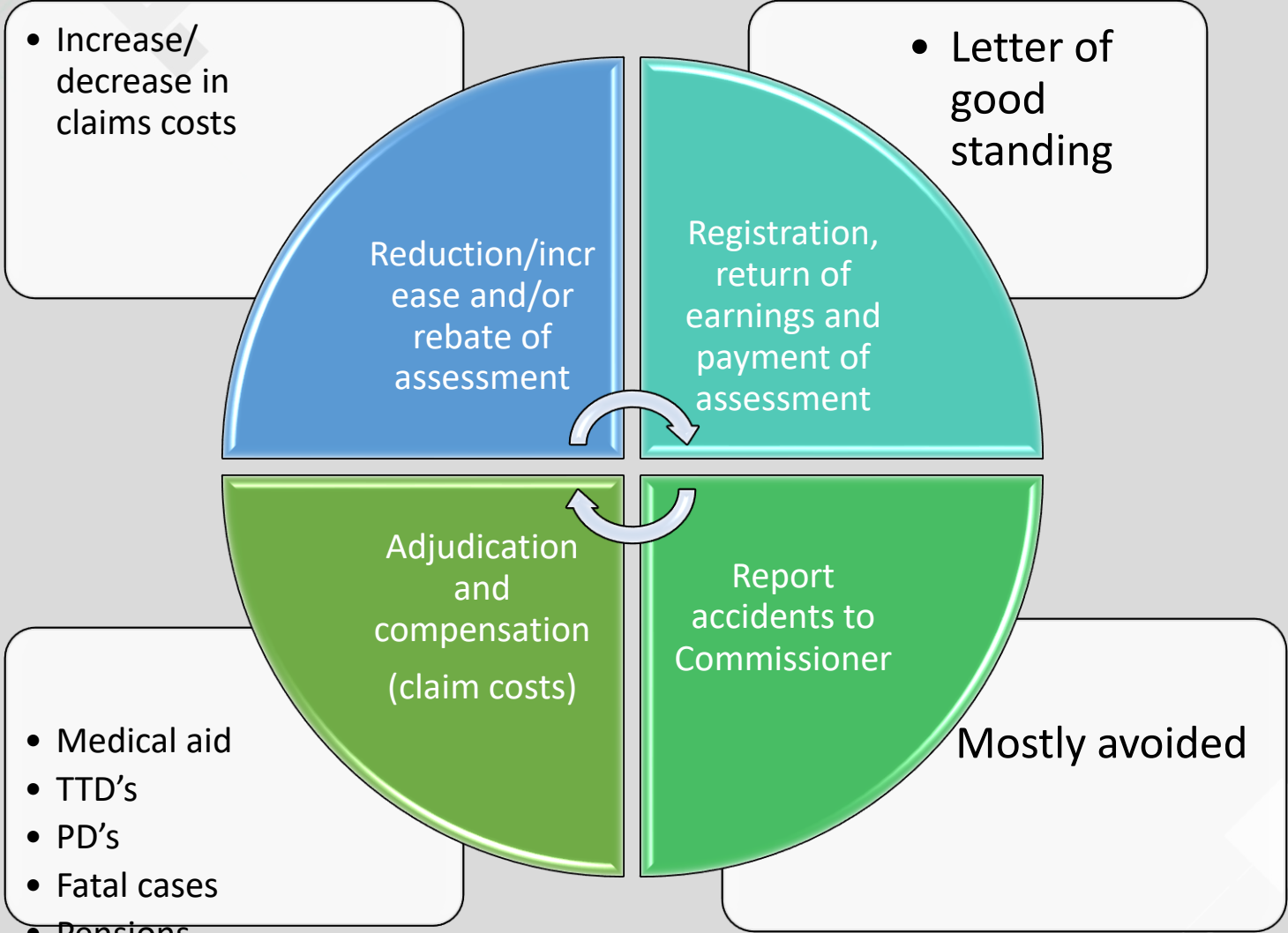


COMPENSATION PAID TO QUALIFYING EMPLOYEES



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COMPENSATION CYCLE





Earnings

Earnings' means the remuneration as defined in paragraph 1 of the Fourth Schedule to the Income Tax Act, 1962 (Act No. 58 of 1962), but does not include any amount paid or payable to an employee—

- (a) by way of any pension, superannuation, allowance or retiring allowance; and
- (b) (b) which constitutes an amount contemplated in paragraphs (a), (cA), (d), (e) or (eA) of the definition of 'gross income' in section 1 of the Income Tax Act, 1962;"

Benefit type 1: Payment of reasonable medical expenses

This is the compensation that is paid first

Paid according to approved CF tariffs


- Chronic medication
- Hospital stay
- Specialists
- Theatre
- Medication
- Prosthesis
- Rehab
- Transportation



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Benefit type 2: Temporary Total / Partial Disablement Section 47 (Assessment paying employers)

Paid when employee is booked off (before client stabilises) as a result of IOD

- Employer pays employee compensation for the 1st three (3) months and claim from CF
- CF pays compensation to employee after 1st three (3) months

4 days (min) to first two years (max)

- Paid after 2 yrs. if reopened by Medical Practitioner

Calculation of TTD is based on approved minimum and maximum amounts in Schedule 4

- 75% (earnings) X days off/actual month days
- The Minister approves the minimum and maximum earnings annually
- 2023 min R4933; Max R35 220 per month



Benefit type 3: Compensation for Permanent Disablement (PD) Section 49

The treating Doctor issues a final medical report to inform the CF if the client has impairment


The CF calculates PD% based on final medical report

- 1-30% PD results in a payment of lump sum
- $\text{Earnings} \times 15 \times \text{PD\%} / 30$
- NB: Compensation varies from employee to employee because it is based on earnings
- Employees with the same PD% do not receive same lump sum if their earnings are different

In case of employees in training and below 26years old

- Compensation is based on probable future earnings (PFE)
- Employer estimates (PFE)

NB: Only reviewed by tribunal or high court



Benefit type 4: Compensation for Permanent Disablement (PD) Section 49 (continued...)

31 -100% PD results in a payment of pension

Pension paid from date of final medical report (stabilisation)


Calculation based on $[(\text{Earnings} \times 75\%) \times \text{PD} \ %]$

2023 Minimum pension of R4 589 per month and maximum R32 763 per month as per schedule 4

Pro-rata pension are paid in case of more than one claim with a commulative PD% of 31% and above

- Claim no.: 123456 = 15% @ R10, 000 earnings and stabilisation date of 10th Feb 2010. PD lump sum paid in 2010
- Claim no.: 234987 = 25% @ R15, 000 earnings and stabilisation date of 1st March 2017. No PD lump sum calculated but pension because of claim no.: 123456
- The two claims = 40% PD and entitle employee to pro-rata pension. Pension calculated per claim using actual PD%

NB: Only reviewed by tribunal or high court



Benefit type 4: Constant Care allowance (CAA) Section 28

Paid to pensioners who need the assistance of another to perform essential functions

CAA is equal to 10% of pension but minimum amount stipulated in schedule 4

- Minimum CAA for 2023 is R2, 577

Paid to pensioner and not the attendant



Benefit type 5: Fatal benefits payable to dependants of deceased employees

Section 54

Dependants:

- A widow or widower who at the time of the employee's death was a life partner of the employee or who was married to the employee according to civil law, civil union, customary law or any other marriage recognised in terms of any other law; **(a person with whom the employee was at the time of the employee's death living as husband and wife)**
- a child under the age of 18 years of the employee or of his or her spouse, and includes a posthumous child, step-child, an adopted child and a child born out of wedlock
- Child over the age of 18 years, but below the age of 25 years if the child is still receiving tertiary education, of the employee or his or her spouse, and includes a posthumous child, step-child, an adopted child and a child born out of wedlock, who is a learner or who is wholly or partly financially dependent on the employee
- A child who is 25 years old or older, a parent, a brother, a sister, a half-brother or half-sister, a grandparent, a grandchild or any other person, and who was in the opinion of the Commissioner at the time of the employee's death wholly or partly financially dependent on the employee: Provided there is no widow or widower



Benefit type 5: Fatal benefits payable to dependants of deceased employees

Section 54

Documents

- Certified copy of valid identity document of injured employee
 - SA citizens should be verified by DOHA
- Certified copy of Death certificate indicating the cause of death or the Notice of death/post mortem citing the cause of death, presumption of death from the Department of Home Affairs if the body could not be found
- Certified copy of marriage certificate
 - Valid life partner documents (DOHA, Court order, Contract)
- Certified copies of dependents' identity documents
 - Unabridged birth certificate for children born in SA
- Proof of schooling for children older than 18 years
- Proof of dependency
 - Child older than 25 years
 - Parents
 - Grand parents
 - Siblings
- Duly completed Declaration by Dependant Widow/widower/guardian (W.CL.32) attested by a Commissioner of Oaths,
- Notice of Accident and Claim for Compensation (W.CL.3/14), page 1 & 2
- Banking details



Monthly pension

Where it appears in the relevant items in Schedule 4,

- a pension payable monthly during the lifetime of the employee or
- compensation payable to dependants when an employee dies as a result of occupational injury or disease
- **or compensation for occupational disease or injury resulting in permanent disablement of more than 30 per cent;**



Benefit type 5: Fatal benefits payable to dependants of deceased employees Section 54

Funeral costs

- Actual expenses refunded to clients up to a maximum approved in schedule 4 applicable to claims before and to March 2018

Funeral benefit

- Paid from 1st April 2018 @ R18, 251

Widow's lump sum

- 2X (75% x earnings)

Pension

- Paid to spouse (s) and Children (40:60)
- Max 20% to child
- 75% X monthly earnings at the time of death
- Minimum R4 933 and maximum R35 220

Payment to other dependants if no spouse and/or child

- Paid to parents and siblings
- Lump sum paid to partial dependants
- Max of 40% pension to wholly dependant



Benefit type 6: Commutation of pension Section 52 and 60

Pensioners excluding a child may commute a pension

Partial commutation to improve normal living standards

- Commutation prescribed to maximum amount of R800 per month

Full commutation to pensioners living outside SA



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Variation of and objection against decisions of the Commissioner



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Variation by the Commissioner Section 90

Notice to or application by affected party

- Did not submit to medical exam (section 42)
- Disablement prolonged or aggravated by non-submission to medical exam
- Excessive or insufficient TTD or pension
- Award based on incorrect facts

New decision

- Confirm
- Amend
- Set aside his/her decision, and
- May suspend,
- Discontinue,
- Reduce or
- Increase compensation awarded



Objections and appeal against decisions of Commissioner”; Section 91 of COIDA

Objection order from tribunal

- Lodge within 180 days of decision
- Independent panel
 - Presiding officer
 - 2 assessors (Employer and employee)
 - Medical assessor (does not vote)

The Commissioner may extend the period by a further six months on good cause shown why the objection was not lodged within the prescribed period.

May appeal to any provincial or local division of the Supreme Court having jurisdiction against a decision

Customer Care details

- 0860105350
- cfcallcentre@labour.gov.za



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Thank You...



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