

# Update on the Compensation for Occupational Injuries and Diseases Amendment Bill [B21-2020]

---

**Tim Hughes:** IWAG spokesperson  
e-mail: tim.hughes@iwag.org.za

---

The Injured Workers' Action Group (IWAG) is an alliance of stakeholders that incorporates medical service providers, labour and employers who are dissatisfied with the Compensation Fund and who seek to find sustainable solutions to ensure the Fund's proper conduct and operation.

Friday 5 March 2021 saw the closing period for written submissions with respect to the Compensation for Occupational Injuries and Diseases (COID) Bill to be made to the Parliamentary Portfolio Committee on Employment and Labour. The Bill contains a number of welcome features, most notably the inclusion and treatment of domestic workers. This should result in as many as 900 000 domestic workers receiving benefits historically denied to them and won through the historic November 2020 Mahlangu Constitutional Court judgment. Contained within the Bill, however, is a critical clause, which amends Section 73 of the existing COID Act and which, if passed in its current form, will prohibit medical service providers (MSPs) from ceding their claims against the Fund for payment of the treatment of injured workers. We believe that, if passed into law, Clause 43(4) of the Bill will have dire consequences for MSPs treating COID patients, for workers themselves, as well as for the public health system and the economy more broadly.

IWAG's written submission on the inclusion of subsection (4) in Clause 43 of the Bill (Section 73(4) of the principal Act) can be summarised as follows:

- It will undermine the mandate and objective of the COID Act.
- It does not adequately consider or assess the multiple impacts and consequences associated with the proposed change, particularly with respect to MSPs, injured workers, and employers.
- It is a unilateral and irrational act by the Department of Employment and Labour and the Fund.
- The Department of Employment and Labour did not consult all the relevant stakeholders, as specifically required in the formulation of the Socio-Economic Impact Assessment System in 2015, when it was

hastily conducted in just two months – most notably the private medical sector and financial sector (registered credit providers, cooperative financial institutions, registered banks, and other financial institutions).

- It is based on unfounded, untested and undocumented allegations of fraud and corruption by third parties.
- It is based on an incorrect perception of over-billing, fraud and add-on costs, against which the Fund is already protected.

Consequently, we are calling for the removal of Section 43(4) from the Amendment Bill. Eighty-six parties made written submissions to the Committee about the Bill; the overwhelming majority opposed Section 43(4), and 17 parties requested permission to conduct oral presentations to the Parliamentary Portfolio Committee.

The Employment and Labour Committee met on Wednesday 10 March 2021 to receive a report on the written submissions and will review these before convening a public hearing to receive oral submissions from the 17 aforementioned parties. From the medical fraternity, oral presentations will be made, inter alia, by the South African Medical Association (SAMA), the Hospital Association of South Africa (HASA), the Occupational Therapy Association of South Africa (OTASA), and the Association for Dietetics of South Africa (ADSA). The Congress of South African Trade Unions (COSATU), Solidarity, the National Employers' Association of South Africa (NEASA) and IWAG will also make oral presentations, as will the South African Institute of Chartered Accountants (SAICA), COIDLink and Compsol.

We urge *Occupational Health Southern Africa* to stay abreast of these critical legislative developments; IWAG will assist in any way possible with information provision to readers. We thank the members of the four occupational health societies for their unique contributions to the health of our country's citizens.

---