

# **SICK PAY FUND**

## **MEMBERSHIP**

Membership of the Fund shall be compulsory for all employees who belong to Trade Unions or work for Federated Employers who are signatories to the Sick Pay Fund Agreement.

As part of the 2005/07 Industry Settlement Agreement, the parties agreed to extend the Agreement to the whole Industry, and to incorporate enhanced benefits.

## **CONTRIBUTIONS**

Once an employee has joined the fund, an employer shall deduct contributions from his or her wages every week, including those weeks in which an employee is on paid leave.

Contributions of 0,09% of earnings.

Employers will contribute an equal amount of money to that paid by an employee every month. Workers would not in any way be held responsible for failing to make contributions to the fund, as this is the managerial task of the company. Employers who fail to submit contributions would be obliged to pay the full-amount to the Metal and Engineering and Industries Bargaining Council and also be liable to a fine for the late submission of contributions

## **SICK PAY BENEFITS**

- Subject to this agreement, a member shall be entitled to sick pay-benefits for each completed day of absence from work through illness and injury which is in excess of the paid Sick Leave due by the employer.
- Sick-pay benefits shall be payable at a rate of 50% of the weekly earnings of a member for each completed week of absence from work. Where a member's absence from work does not comprise a complete week, sick-pay benefits shall be calculated PRO-RATA for each complete day of absence.
- Compassionate Leave – An employee shall be entitled to a maximum of three working days per year, and shall receive full payment therefore at his normal wage rate for a normal working day. (This is basically an extension of the “Family Responsibility Leave” in the Main Agreement. It can be taken for a full day(s) or part thereof, and will be subject to reasonable proof being submitted to the employer).

## **INJURY ON DUTY**

A member who is absent from work due to disablement falling within the provisions of the Compensation for Occupation Injuries and Diseases Act, shall be entitled to a special sick pay leave benefit of up to a maximum of three working days for each period of such absence.

## **FUNERAL**

In case of a death of a member, a funeral benefit of R5000.00 shall be payable to the surviving spouse. However, the Management Committee may use its discretion and may consider paying the benefits to a person they believe is entitled to receive the money. The beneficiary must then produce proof of death (such as death certificate) of the employee and any other documentation as required by the fund.

## **PREGNANCY AND STILLBORN CONFINEMENT**

- Benefits shall be paid to members in respect of absence from work on unpaid leave or termination of employment due to pregnancy or confinement, the following benefits shall be payable:
- For each completed week of absence from work, benefits of up to a maximum of 26 weeks shall be paid. In the case of stillborn confinement, a member will receive benefits at the rate of 100% of the weekly wage of the member prior to such absence, up to a maximum of 12 weeks.
- Employers may claim this amount directly on behalf of the affected employee.
- An additional amount when the member proceeds on maternity leave, which is the equivalent of the pro-rata, leave pay and leave enhancement pay which the employee would have received, had she not been on maternity leave.

Provided that –

- A member's absence from work due to pregnancy is less than 26 weeks or in the case of a stillborn confinement, less than 12 weeks. In the case where a member whose employment has been terminated due to pregnancy recommences employment within 26 weeks, or where a member whose employment has been terminated due to a stillborn confinement recommences employment within 12 weeks, benefits shall be payable for such shorter period.
- Benefits shall be payable for a maximum of three pregnancies (which shall include stillborn) per member. An intermediary membership of one-year between the pregnancies.
- Applications for benefits shall be supported by such documentary evidence as may be requested from time to time.
- Members qualifying for these benefits shall be entitled to an advance payment of up to four weeks after completion of the first week of absence. Benefits shall accrue on a weekly basis for absence due to pregnancy/confinement after expiry of such a four-week period.

**NB: CONFIRMATION REQUIRED ON COMPANY LETTERHEAD FROM EMPLOYER WHETHER THE MEMBER IS CLAIMING FROM UNEMPLOYMENT INSURANCE FUND.**

**REQUIRE ANNUAL LEAVE / COMPANY SHUTDOWN DATES.**

## ADOPTION OF CHILDREN UNDER TWO YEARS OF AGE

- Should a member wish to adopt a child under two years of age, benefits shall be payable in respect of absence from work due to the legal adoption process. .
- Benefits shall be payable for each complete week of absence up to a maximum of 26 weeks for any one adoption, at the rate of 100% of the weekly wage of the member immediately prior to such absence.
- Employers may claim this amount directly on behalf of the affected employee.
- An additional amount shall be paid when a member proceeds on adoptive leave, which is equivalent to the pro-rata leave pay and leave enhancement pay which the employee would have received had she not been absent on adoptive leave.
- Benefits for days of absence not comprising a complete week shall be calculated pro rata for each complete day of absence depending on whether a five or six-day week, was being worked immediately prior to the absence.
- Benefits under this category shall be payable for a maximum of three adoptions per member. An intermediary membership of one-year between the adoptions.
- Such documentary evidence as may be required by the Fund Managers shall support applications for benefits.
- Members qualifying for benefits under this sub clause shall be entitled to an advance payment of up to four weeks benefits after completion of the first week of absence. Benefits shall accrue on a weekly basis for absence due to legal adoption of a child under two years of age.

	Period of Unpaid Leave		
	Pregnancy	Stillborn confinement	Adoption of children under two years of age
Employees with <b>one year</b> or more continuous service with the same employer	26 weeks	12 weeks	26 weeks
Employees with <b>less than one year's</b> continuous service with the same employer	18 weeks	8 weeks	18 weeks

## CLAIMS

- Claims for sick-pay benefits and/or special sick-pay benefits and/or funeral benefits and/or maternity benefits and/or adoption benefits and/or compassionate leave from the Fund shall be lodged with the Fund on the forms prescribed by the Management Committee of the Fund from time to time, and shall be accompanied by a detailed medical certificate or adoption certificate, as the case may be, in the form prescribed. The cost of the medical certificate or adoption certificate shall be borne by the employee concerned: Provided, however, that the Management Committee may require an independent medical examination, the cost of which shall be a charge upon the Fund.
- The Management Committee may request reasonable proof in respect of a request for compassionate leave.

Compassionate leave may be taken once an employee has exhausted his entitlement to “Family responsibility leave” in terms of Clause 42 of the Main Agreement.

In the event of the employee not falling under the provision of the Main Agreement, the provisions of Section 27 of the Basic Conditions of Employment Act will apply.

- No claims shall be recognised by the Fund if not submitted within 30 days after the first absence from employment on amount of illness and if the employee has failed to act upon proper medical advice; nor shall payment be made for any prior period of more than three days before the employee first consulted his medical practitioner.
- No claims shall be recognised by the Fund in respect of adoption benefits if not submitted within 52 weeks from the adoption concerned, unless the member was in employment as a member, or was otherwise in employment, for at least 18 weeks during the period of 52 weeks immediately preceding the date of the adoption.
- It shall be sufficient proof of payment of any claim if a cheque is dispatched by pre-post to the address given in the claim form prescribed by the Management Committee. If any cheque sent is not paid within 18 months of the date of issue, the claim shall be forfeited for the benefit of the fund. Fund Managers shall have discretionary powers to make an *ex gratia* payment in respect of any claim forfeited in terms of this section.
- **PLEASE NOTE, ONLY ORIGINAL APPLICATION FORMS WILL BE ACCEPTED. FAXED AND E-MAIL DOCUMENTS WILL NOT BE PROCESSED.**

## QUALIFICATIONS, LIMITATIONS AND EXCLUSIONS

No benefits shall be paid under the following conditions:

- Until a member has contributed for 13 consecutive weeks. Contributions terminated by a period of unemployment of up to two months, or a change of employer within the industry, shall be regarded as being consecutive with contributions made following such unemployment or change of an employer. The break in contributions must not have exceeded more than two months and could be proven that an employee was actually unemployed during such period. For employees leaving the Metal and Engineering Industry, and subsequently returning, will re-qualify for benefits after completing 13 consecutive weekly contributions.

- In respect of public holidays specified for the Industry, or in respect of any part of the paid holiday period for which an employee receives holiday pay, such a day shall not count as a day of absence due to illness, for purposes of benefits payable by the fund.
- Employees who became unemployed during the period they are entitled to receive unemployment benefits falling within the scope of the Unemployment Insurance Act.
- For any illness, disablement or death falling within the provisions of Compensation for Occupational Injuries and Diseases Act.
- In respect of absences from work directly or indirectly caused by or by resulting from:
  - Indulging in alcohol or the use of narcotics.
  - Engaging in hunting, racing on wheels or motor-cycle rallying, including breakfast runs and Motor-cross.
  - The performance of any unlawful act, service in the armed forces, flight or attempted flight in any aircraft, except as a fare-paying passenger on a regular scheduled airline.
  - Death or injury inflicted by any military or usurper power, whether or not there has been a declaration of war, or due to riots or civil commotion.

## **QUALIFICATIONS, LIMITATIONS AND EXCLUSIONS**

A member:

- Whose employment is terminated due to pregnancy (including stillbirths) or the legal adoption of a child under the age of two years shall on returning to work with the same employer, have the break in service condoned for the purpose of determining qualification and or entitlement to benefits.
- The same will apply to members who have been in the employ of the same employer and a member of the Fund.
- The same will also apply for those who have been issued with a written agreement of reemployment by the employer, as provided in the Main Agreement.
- For the purpose of the above, the employer, when notifying an employee of termination of service is expected to submit their Notice on the Contribution Return form.
- The employer must note it clearly whether the termination was due to pregnancy (including stillbirths) or the legal adoption and/or that the employee has been issued with a written agreement of re-employment.
- The committee shall have discretionary powers to grant additional assistance to employees in cases of hardship arising from illness and may grant special relief to employees by means of grants or loans.

## **CONTACT DETAILS**

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