

# Injured Workers' Action Group

## **COLD Amendment Bill**

**Presentation to the Select Committee on Trade and Industry, Economic Development, Small  
Business Development, Tourism, Employment and Labour of the National Council of Provinces**

Tuesday 22 February 2022

# The COID Bill Socio-Economic Impact Assessment (SEIA) is fundamentally flawed

Cabinet requires a SEIA to be conducted for any piece of legislation.

The COID Bill SEIA is not fit for purpose.

Written in 2015, it is 6-years out of date, was conducted under a different Minister and during the Zuma Presidency.

It was written under the old UMehluko system which has since been replaced.

It was conducted and written in just two months.

It failed to interview or take into account the impact of the Bill on a single MSP.

It failed to interview domestic workers.

It failed to interview a single third-party administrator, or the banks.



THE PRESIDENCY

REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF PLANNING, MONITORING AND EVALUATION

SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM (SEIAS)

FINAL IMPACT ASSESSMENT FOR COMPENSATION FOR INJURIES AND  
DISEASES ACT (COIDA)

The Injured Workers' Action Group (IWAG) is a coalition of workers, medical service providers, employers and COID administrators to engage constructively on COID-related issues

Section 43(4) of the COID Bill sought to prohibit Medical Service Providers (MSPs) from ceding their claims for payment by the Compensation Fund.

This would have resulted in third-party administrators who assist the medical fraternity with administration and funding no longer being able to provide this service in the absence of financial and legal security.

Thousands of MSPs would have lost their constitutional rights, be forced to do their own administration and to claim directly and individually against the Compensation Fund.

Without the support and benefits of third-party administrators and funding, MSPs may choose not to treat IoD workers/patients.



# Section 43(4) of the COID Bill was removed by the NA Employment and Labour Committee

## But was replaced with the insertion of:

(4)(a) No third party will be allowed to transact with the Compensation Fund unless they are registered with the Compensation Fund in the manner as prescribed.

(b) All third parties that are already transacting with the Compensation Fund must register with the Compensation Fund within six months after the commencement of the Compensation for Occupational Injuries and Diseases Amendment Act, 2021.

(5) For the purpose of this section, a third party means any entity that transacts with the Fund with the aim of assisting either the employee, employer, medical service provider or pensioner with the processing of claims at the Compensation Fund.”.





These clauses were inserted into the Bill after the public presentations to the Committee with no explanation, justification or opportunity to question its reasoning or rationale

The clauses allows the Compensation Fund to effectively cut out any third party or entity from registering or transacting with it.

The objectives and rationale for such registration are not made.

The criteria are not clear.

The manner to be prescribed has not been developed.

The Compensation Fund at no time provide an explanation of the reasons for or justification for registration to transact with it.

This clause arrogates potentially huge and unfettered power in the hands of the Compensation Fund and effectively removes Parliamentary oversight.



“Please, Honourable Members, exercise your oversight and legislative powers and protect the powerless from arbitrary regulation and send back the COID Bill to the NA”

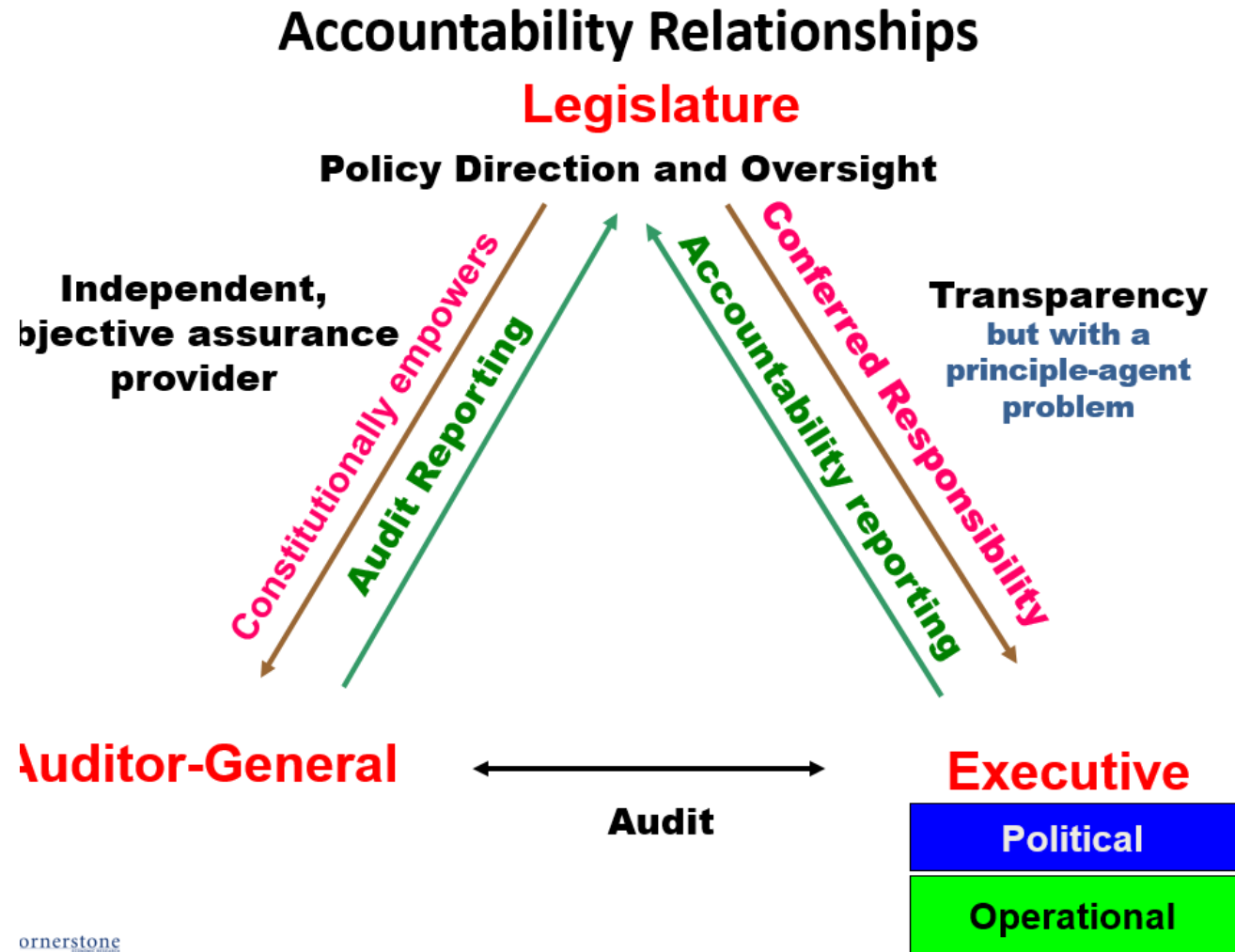
Parliament has considerable legislative, deliberative and oversight powers.

We would ask you to do the right thing:

- ✓ Protect our workers
- ✓ Protect our medical practitioners
- ✓ Protect our fragile economy

We thank you for the work that you do on behalf of our country and our democracy.

**Please exercise your considerable powers and responsibilities and refer the COID Bill back to the NA.**





Thank you for your  
attention Honourable  
Members!

