

**Ministry**

**Employment & Labour**

**Republic of South Africa**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 2603 [NW3079E]**

**2603. Dr M J Cardo (DA) to ask the Minister of Employment and Labour:**

With regard to the publication in the *Government Gazette* on 19 October 2021 of a notice enforcing new banking information requirements for the compensation of occupational injuries and disease related claims, (a) what is the rationale behind the regulations and (b) what are the reasons that the Compensation Fund is determined to stifle third-party pre-funding administrators? NW3079E

**REPLY:**

1. **what is the rationale behind the regulations?**

The Minister of Employment and Labour has not issued any a regulation on the 19th October 2021. The Compensation Commissioner issued a notice to prescribe administrative rules for the payment of claims using the Account Verification System. The notice highlights the intention by the Compensation Fund to strictly enforce the payments of claims to claimant’s bank account using validations that come with the Account Verification System.

This notice is part of the Compensation Fund’s efforts to strengthen systems of internal control the Fund by the implementation of Account Verification System (AVS).

1. **what are the reasons that the Compensation Fund is determined to stifle third-party pre-funding administrators?**

There is nowhere in the notice published on the 19th October 2021 where reference is made to third party pre-funding administrators.