

**THE BUILDING INDUSTRY BARGAINING COUNCIL**  
**(CAPE OF GOOD HOPE)**

**SICK PAY FUND**

**RULES**

**From: 1 February 2020**  
**Amended: February 2022**

**All correspondence to be addressed to the Secretary**

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# **SICK PAY FUND FOR THE BUILDING INDUSTRY**

## **RULES**

1. **ESTABLISHMENT** - A Fund known as the "SICK PAY FUND FOR THE BUILDING INDUSTRY" (hereinafter referred to as "THE FUND") is hereby continued in terms of Clause 34 of the Agreement of the Building Industry Bargaining Council (Cape of Good Hope) (hereinafter referred to as the "Council"), published under Government Notice no. 42850 of 22 November 2019, as amended or re-enacted, and the following rules are hereby prescribed by the Council, for the administration of the Fund in terms of Clause sub-clauses 34(2) of the Agreements.
2. **REGISTERED OFFICE** - The registered office of the Fund shall be situated at 81 Voortrekker Road, Bellville, 7530. Postal address: Private Bag x29, Bellville, 7535. Telephone number (021) 950-7400.
3. **DEFINITIONS** - Any terms or expressions used in these rules which are defined in the Agreements or the Labour Relations Act, 1995, and any regulations framed under the said Act, shall have the same meaning as in those measures and any reference to the agreements or act shall include any amendments of such agreements or act, unless inconsistent with the context; words signifying the singular number shall include the plural and vice versa, words importing any gender shall include the other gender and words importing persons shall include partnership and bodies corporate and the following expressions shall have the following meanings:-
  - i) "Agreement" or "Agreements" means any current agreement for the Building Industry (Cape of Good Hope) Cape Peninsula or Boland, published in terms of section 32 of the Act, in which wages are prescribed, or in the absence of such an agreement, the last wage agreement published for the industry in terms of the Act.
  - ii) "Application" means an application on the form prescribed for that purpose by the Council from time to time and duly undersigned by the applicant or a person duly authorised to sign on his behalf in cases where the applicant cannot sign a such form.
  - iii) "Bargaining Council" or "Council" means the Building Industry Bargaining Council (Cape of Good Hope);
  - iv) "Committee" means the Council, or any sub-committee appointed by the Council to administer the Fund.
  - v) "Dentist" means a person registered as a dentist under the Medical, Dental and Supplementary Health Service Profession Act 1974 (Act No 56 of 1974);
  - vi) "Incapacity" means inability to work owing to sickness or injury not excluded in subclauses 34(5) of the Agreements.
  - vii) "Medical Certificate" or "Doctor's Certificate" means a certificate in the form prescribed by the Council from time to time for that purpose and issued and undersigned by a dentist or medical practitioner who is registered under the Medical, Dental and Supplementary Health Service Profession Act 1974 (Act No 56 of 1974) or a Traditional Healer registered with the Traditional Health Practitioners Council of SA established in terms of the Traditional Health Practitioners Act (Act no. 22 of 2007).
  - viii) "Medical Practitioner" means a person who is registered as a medical practitioner under the Medical, Dental and Supplementary Health Service Profession Act 1974 (Act No 56 of 1974), and includes a general practitioner and specialist.

- ix) "Member" means an employee in respect of whom contributions have been made to the Sick Pay Fund.
- x) "Traditional Healer" means a person who is registered as a traditional healer with the Traditional Health Practitioners Council of SA established in terms of the Traditional Health Practitioners Act (Act no. 22 of 2007).
- xi) As of 01 January 2022, Professional Nurses with post-basic diplomas / additional qualifications who are registered as such by the South African Nursing Council, are permitted to issue sick notes as they are deemed to be competent to provide specialized nursing care in their field of practice.

**4. OBJECTS** - The objects of the Fund shall be -

- a) to recompense members for loss of earnings due to unemployment caused by sickness or accident;
- b) to consider gratuities and/or annuities for members in the case of permanent disability; and
- c) to do all such things as are necessary, incidental, or conducive to the welfare of members and to the attainment of the aforesaid objects.

**5. MEMBERSHIP**

- 1 Subject to the provisions of rule 6 hereof, all employees to whom the Fund applies, shall be eligible for membership of the Fund.
- 2 For a member to qualify for benefits -
  - a) The employer must have made, in the aggregate, at least 18 weekly contributions in the manner prescribed in sub-clauses 34(3) of the Agreements during the current benefit year and the previous benefit year, and
  - b) The member must be in the employ of an employer, duly registered in terms of the Agreement, at the time of going off sick.
- 3 Notwithstanding the provisions of sub-rule (1) a member shall not be entitled to any benefits unless he has submitted an application to the Secretary in such a manner and in such form as the Committee may from time to time determine.

**6. CESSATION OF MEMBERSHIP**

- 1 Membership of the Fund shall terminate -
  - a) with effect from the date of death of a member;
  - b) with effect from the date on which a member ceases to be employed in the Building Industry for any reason whatsoever;
  - c) on a finding by the Committee, after inquiry, that the member has abused the rights and privileges afforded by the Fund; and
  - d) in the case of any member who fails to receive weekly benefit contributions.

**7. CONTRIBUTIONS TO THE FUND** - Contributions to the Fund shall be as follows:-

In the case of employees to whom the provisions of sub-clauses 15 of the Agreements apply, at a rate and in the manner prescribed in sub-clauses 34 (3) of the Agreements and shall be included in the benefit contributed by the employer.

**8. SICK BENEFITS** - Members shall be entitled to sick benefits as prescribed in sub-clause 15(5) of the Agreements and as set out in these rules.

**a) Applications**

Application for sick benefits must be made to the Council's office (i.e., the registered office of the Fund) on the form prescribed for this purpose by the Council from time to time and obtainable at the Council's offices, and accompanied by -

- i) a medical certificate in a form acceptable to the Council;
- ii) a certificate from the employer in the form prescribed by the Council for this purpose from time to time;
- iii) a police report, if required, on the form prescribed for this purpose by the Council from time to time in cases where the incapacity, in respect of which the member is applying for benefits, resulting from an accident, assault, or wilful injury.

Application for sick benefits shall be made to the Council's offices not later than thirty days from the commencement of the period in respect of which the benefits are applied for. Applications received later than such thirty days, shall only be considered for payment at the discretion of the Council and on such terms as the Council may determine.

**b) Payment of sick benefits**

- i) Payment of sick benefits shall only be made for such period(s) in respect of which the member is declared by a dentist, a medical practitioner, or a traditional healer to be disabled from following his employment and shall only be payable as from the day on which the member has first been examined by the medical practitioner, dentist or traditional healer.
- ii) Payment of sick benefits shall be for a period not exceeding 130 days and shall be in accordance with the table below:

**ALL EMPLOYEES FOR WHOM WAGES ARE PRESCRIBED IN SUB-CLAUSE 15(1), WITH LESS THAN 10 YEARS' CONTRIBUTIONS:**

<u>NO OF DAYS INCAPACITATED</u>	<u>NATURE OF INCAPACITY</u>	<u>PERCENTAGE OF BASIC WAGE</u>
1 <sup>st</sup> – 10 <sup>th</sup>	Normal incapacity provided that a medical certificate as per the rules is provided	80
11 <sup>th</sup> – 20 <sup>th</sup>	Normal incapacity provided that a medical certificate as per the rules is provided	33
21 <sup>st</sup> – 130 <sup>th</sup>	Employees that are incapacitated due to a dread disease as defined in Annexure A of the rules	33

**ALL EMPLOYEES FOR WHOM WAGES ARE PRESCRIBED IN SUB-CLAUSE 15(1), WITH MORE THAN 10 YEARS' CONTRIBUTIONS:**

<u>NO OF DAYS INCAPACITATED</u>	<u>NATURE OF INCAPACITY</u>	<u>PERCENTAGE OF BASIC WAGE</u>
1 <sup>st</sup> – 10 <sup>th</sup>	Normal incapacity provided that a medical certificate as per the rules is provided	80
16 <sup>th</sup> – 20 <sup>th</sup>	Normal incapacity provided that a medical certificate as per the rules is provided	33
21 <sup>st</sup> – 130 <sup>th</sup>	Employees that are incapacitated due to a dread disease as defined in Annexure A of the rules	33

- iii) The amounts paid are a percentage of the prescribed minimum basic wages as per the wage schedule as published from time to time.
- iv) In the case of artisans, the employer's and the employee's portion of the medical aid contribution is paid from the Fund. All categories of employees are credited with the appropriate Holiday and Bonus Fund contributions.
- v) In cases where members leave the Republic of South Africa, payment will be made only at the discretion of the Council.
- vi) If a member is found fit for work, no further payments shall be made to him, and he will be informed accordingly in writing.
- vii) Notwithstanding anything contained in these Rules, payment of sick benefits shall be withheld from a member who, after being requested to do so in writing by the Secretary of the Fund, omits or refuses to undergo a medical examination by a dentist, medical practitioner or a traditional healer appointed by the Council, or who fails to comply with any other reasonable requirement of the Fund.
- viii) Payment to a member incapacitated as a result of an accident, will be made subject to a refund by such member of such payments to the Fund should he succeed in claiming the same or a higher amount than the benefits paid to him from insurance or any other institution or party.
- vii) Should a member follow any remunerative occupation or draw Unemployment Insurance Fund benefits during the period he is in receipt of benefits, he shall refund the benefits received.
- ix) Payment shall be made by EFT to the applicant.

**9. BENEFITS INALIENABLE** - The benefits provided by the Fund are not transferable and any member who attempts to assign, transfer, cede, pledge or hypothecate his rights, shall forthwith cease to be entitled to any benefits whatsoever and membership of the Fund shall be terminated.

**10. EXEMPTIONS** - The Council may at its discretion grant exemption from any or all the provisions of these Rules under such terms and conditions and for such period as it may determine.

**11. MEDICAL EXAMINATION** - The Council reserves the right at any time to require a member to undergo a medical examination, at the Fund's expense, by any dentist, medical practitioner, or traditional healer which it may nominate and may also require the member to make an affidavit.

**12. EX GRATIA PAYMENTS** - The Council shall not authorise the payment of benefits other than those provided for in these Rules, but may, in its absolute discretion, in respect of the benefits provided, increase the benefits of these Rules as an "ex gratia" award.

### **13. APPLICATION AND DETERMINATION OF THE RULES**

1 An appeal shall be made in writing to the Secretary within fourteen days of the date of the decision appealed against, provided that a member who is unable to express himself easily in writing may have his appeal recorded in writing by the Secretary.

2 The decision of the Council shall be final and binding on the member and the Council shall not be obliged to give reasons for any decision.

### **ANNEXURE A: LIST OF DREAD DISEASES**

**(Diagnosis required by Medical Doctor, or as specified in certain diseases below, to qualify for this benefit)**

#### **1. Heart Attack**

The death of a portion of the heart muscle (myocardium) as a result of inadequate blood supply and being evidenced by:-

- (a) A history of typical prolonged chest pain; and
- (b) New electrocardiographic changes resulting from this occurrence; and
- (c) Elevation of the cardiac enzyme (CPK-MB) above the generally accepted laboratory levels of normal.

#### **2. Stroke**

Defined as a cerebrovascular accident or incident producing neurological sequelae of a permanent nature, having lasted not less than six months. Infarction of brain tissue, haemorrhage, and embolization from an extra-cranial source are included.

The diagnosis must be certified by a Consultant Neurologist.

#### **3. Coronary Artery Disease Requiring Surgery**

Refers to the actual undergoing of coronary artery by-pass surgery by way of thoracotomy to correct or treat coronary artery disease but not including angioplasty, other intra-arterial, keyhole or laser procedures.

#### **4. Cancer**

Cancer is defined as the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue for which major interventionist treatment or surgery (excluding endoscopic procedures alone) is considered necessary. Cancer must be confirmed by histological evidence of malignancy.

The following conditions are excluded:

- (a) Carcinoma in situ including of the cervix
- (b) Ductal Carcinoma in situ of the breast
- (c) Papillary Carcinoma of the bladder and Stage 1 Prostate Cancer
- (d) All skin cancers except malignant melanoma
- (e) Stage I Hodgkin's disease

## **5. Kidney Failure**

End-stage kidney failure that presents as the chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis is initiated or renal transplantation carried out.

## **6. Fulminant Viral Hepatitis**

This is defined as a sub-massive to massive necrosis of the liver caused by any virus leading precipitously to liver failure.

The diagnostic criteria to be met are:

- (a) A rapidly decreasing liver size as confirmed by abdominal ultrasound; and
- (b) Necrosis involving entire lobules, leaving only a collapsed reticular framework; and
- (c) Rapidly deteriorating liver function tests; and
- (d) Deepening jaundice.

Hepatitis B infection or carrier status alone does not meet the diagnostic criteria.

## **7. Major Organ Transplant**

The actual undergoing of a transplant as a recipient of one of the following human organs:

- (a) Kidney
- (b) Lung(s)
- (c) Liver
- (d) Heart
- (e) Bone marrow

## **8. Paralysis / Paraplegia**

The complete and permanent loss of use of both arms or both legs, or one arm and one leg, through paralysis caused by illness or injury.

## **9. Multiple Sclerosis**

Unequivocal diagnosis by a Consultant Neurologist confirming the following combination, which has persisted for at least a continuous period of six (6) months:

- (a) Symptoms referable to tracts (white matter) involving the optic nerves, brain stem and spinal cord, producing well-defined neurological deficits; and
- (b) A multiplicity or discrete lesions.

## **10. Primary Pulmonary Arterial Hypertension**

This means primary pulmonary hypertension with substantial right ventricular enlargement established by investigations including cardiac catheterization, resulting in permanent irreversible physical impairment to the degree of at least Class 3 of the New York Heart Association Classification of cardiac impairment, and resulting in the Employee/member being unable to perform his/her usual occupation.

## **11. Blindness**

The total, permanent and irrecoverable loss of sight in both eyes. Certification by an ophthalmologist is required.

## **12. Heart Valve Replacement**

The actual undergoing of open-chest surgery to replace or repair cardiac valves because of heart valve defects or abnormalities that have occurred after the date of issue or date of reinstatement of this contract.

Repair, via valvotomy, intra-arterial procedure, key-hole surgery, or similar techniques are specifically excluded.

## **13. Surgery To Aorta**

The actual undergoing of surgery via a thoracotomy or laparotomy to repair or correct an aortic aneurysm, an obstruction of the aorta, or a coarctation of the aorta. For this definition, the aorta shall mean the thoracic and abdominal aorta but not its branches.

## **14. Alzheimer's Disease / Irreversible Organic Degenerative Brain Disorders**

Deterioration or loss of intellectual capacity or abnormal behaviour as evidenced by the clinical state and accepted standardized questionnaires or tests arising from Alzheimer's Disease or irreversible organic degenerative brain disorders excluding neurosis, psychiatric illness, and any drug or alcohol related organic disorder, resulting in a significant reduction in mental and social functioning requiring the continuous supervision of the Life Assured. The diagnosis must be clinically confirmed by an appropriate consultant.

## **15. Major Burns.**

Third-degree burns covering at least twenty percent (20%) of the Life Assured's body surface area as measured by "The Rule of 9" of the Lund & Browder Body Surface Chart.

## **16. Coma**

A state of unconsciousness with no reaction or response to external stimuli or internal needs, persisting continuously for at least 96 hours, requiring the use of life support systems and resulting in a neurological deficit, lasting more than 30 days. Confirmation by a Consultant Neurologist must be present.

Coma resulting directly from self-inflicted injury, alcohol or drug misuse is excluded.

## **17. Terminal Illness**

The employee/member must be suffering from a condition, which in the opinion of an appropriate Medical Doctor is highly likely to lead to death within 12 months. The employee/member must no longer be receiving active treatment other than that for pain relief.

## **17. Motor Neuron Disease**

Motor neuron disease of unknown aetiology is characterized by progressive degeneration of corticospinal tracts and anterior horn cells or bulbar efferent neurons. These include spinal muscular atrophy, progressive bulbar palsy, amyotrophic lateral sclerosis, and primary lateral sclerosis.

Diagnosis must be confirmed by a Consultant Neurologist.



## **18. Parkinson's Disease**

Unequivocal diagnosis of Parkinson's Disease by a Consultant Neurologist where the condition:

- (a) Cannot be controlled with medication; and
- (b) Shows signs of progressive impairment; and
- (c) Activities of Daily Living assessment confirm the inability of the Employee/member to perform without assistance three (3) or more of the Activities of Daily Living.

## **19. Chronic Liver Disease**

End-stage liver failure as evidenced by permanent jaundice, ascites, encephalopathy, and portal hypertension.

Liver failure secondary to alcohol or drug misuse is excluded.

## **20. Chronic Lung Disease**

End-stage respiratory failure including chronic interstitial lung disease. The following criteria must be met:

- (a) Requiring permanent oxygen therapy as a result of a consistent FEV1 test value of less than one litre (Forced Expiratory Volume during the first second of a forced exhalation); and
- (b) Arterial Blood Gas analysis with partial oxygen pressures of 55mmHg or less; and
- (c) Dyspnoea at rest.

## **21. Major Head Trauma**

Physical head injury causing significant functional impairment.

## **22. Aplastic Anaemia**

Chronic persistent bone marrow failure which results in total aplasia of the bone marrow and requires treatment with at least one of the following:

- (a) Regular blood product transfusion
- (b) Marrow-stimulating agents
- (c) Immunosuppressive agents
- (d) Bone marrow transplantation

## **23. Muscular Dystrophy**

The diagnosis of muscular dystrophy shall require confirmation by a Consultant Neurologist.

## **24. Tuberculosis**

Employee/Member will only qualify if admitted to a treatment clinic/hospital.

## **25. Benign Brain Tumour**

A life-threatening, non-cancerous tumour in the brain giving rise to characteristic signs of increased intracranial pressure such as papilledema, mental symptoms, seizures and sensory impairment. The presence of the underlying tumour must be confirmed by imaging studies such as CT Scan or MRI.

## **26. Encephalitis**

Defined as severe inflammation of brain substance, resulting in permanent neurological deficit lasting for a minimum period of 30 days and certified by a Consultant Neurologist.

## **27. Poliomyelitis**

Unequivocal diagnosis by a Consultant Neurologist of infection with the Poliovirus leading to paralytic disease as evidenced by impaired motor function or respiratory weakness.

## **28. Brain Surgery**

The actual undergoing of surgery to the brain under general anaesthesia during which a craniotomy is performed.

## **29. Spinal Surgery**

The actual undergoing of surgery to the spine under general anaesthesia.

## **30. Bacterial Meningitis**

Bacterial meningitis causing inflammation of the membranes of the brain or spinal cord resulting in permanent neurological deficit lasting for a minimum period of 30 days.

## **31. Other Serious Coronary Artery Disease**

The narrowing of the lumen of at least three major arteries i.e., Circumflex, Right Coronary Artery (RCA), and Left Anterior Descending Artery (LAD).

## **32. Apallic Syndrome**

Universal necrosis of the brain cortex, with the brainstem remaining intact. Diagnosis must be confirmed by a Consultant Neurologist and the condition must be documented for at least one month.

## **33. Full Blown AIDS**

The clinical manifestation of AIDS (Acquired Immune-deficiency Syndrome) must be supported by the results of a positive HIV (Human Immuno-deficiency Virus) antibody test. In addition, the employee/member must have a CD4 cell count of less than two hundred (200).