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## **HAIRDRESSING TRADE INDUSTRY SICK BENEFIT FUND**

### **MEMBER'S HANDBOOK –JANUARY 2009**

**Note: The members Handbook is provided as a summary of the rules and**

**Procedures of the 'Sick Benefit Fund', for the ease of reference of**

**Both employer and employee in the industry.**

**A copy of the Rules and the Main Collective Agreement are**

**Available on request for members to peruse**

#### **1. INTRODUCTION**

- 1 The Hairdressing Sick Benefit Fund originally established in terms of the Agreement published under Government Notice No. R. 106 of 22 January 1960 (hereinafter referred to as the **"Sick Benefit Fund"**), is hereby continued for the purpose of-
  - (a) Assisting members in regard to payment for medical services incurred by them or their dependents, as may be provided in the rules of the Sick Benefit Fund;
  - (b) Assisting members for whom salaries are prescribed in terms of this Agreement with sick pay benefits in respect of absences from work owing to illness and/or accident as provided in the rules of the Sick Benefit Fund;
  - (c) Taking such measures as the Council may deem necessary for the prevention of sickness and for the improvement and promotion of health amongst members and their dependents;
  - (d) Contracting with any medical practitioner, hospital, nursing home, convalescent home or other similar institution, person or authority in respect of medical services; and
  - (e) Meeting the cost of such arrangements and the medical expenses of members or their dependents as provided in the rules of the Sick Benefit Fund.
- 2 The Fund is made up of "Scheme A" and "Scheme B". Membership of either Scheme A or Scheme B of the Sick Benefit Fund shall be compulsory for all persons who are directly or indirectly engaged or employed in the Hairdressing Industry, unless an exemption is granted by the Council on the grounds of such persons providing adequate proof of membership with an alternative medical scheme which can provide benefits which are equal to or better than those as provided for in the Sick Benefit Fund, and is recognised by law.
- 3 The Sick Benefit Fund shall be managed by the Council in accordance with the rules which it may make from time to time and for this purpose the council shall approve a set of rules which shall provide for the administration of the Sick Benefit Fund.
- 4 All moneys of the Sick Benefit Fund shall be administered, invested and paid out in accordance with the rules, a copy of which shall be available for inspection at the offices of the Council.
- 5 The Council shall appoint auditors to audit the books of account of the Sick Benefit Fund annually.
- 6 The Council shall review the Annual Financial Statements of the Sick Benefit Fund at the Annual General Meeting of the Council, and shall then ratify any review of the contribution schedule to the fund.
- 7 The employer shall deduct the appropriate contributions from the salary of the employee, and shall pay such monies, together with the employer contribution to the Council by the 7<sup>th</sup> day of the month following the deduction.
- 8 If any amount which falls due in terms of this clause or in terms of any other provision of the Agreement is not received in full by the Council by the 7<sup>th</sup> of the month following as provided for, then the employer shall be liable to pay a penalty calculated in respect of the Prescribed Rate of Interest Act on any contribution which remains unpaid.
- 9 Notwithstanding the above, failure on the part of the employer to make the deductions of employee's contributions which he is required to make, shall not absolve the employer from having to submit the total amount of the employee's contributions and his own contributions to the Council.

- 10 In the event of the expiry or cancellation of this Agreement, the Council shall continue to administer the Sick Benefit Fund until such time as it is liquidated or transferred to any other fund created for the purpose of providing medical service assistance to its members.
- 11 In the event of the Council being wound up or dissolved, the Sick Benefit Fund shall continue to be administered by a committee appointed for such purposes by the parties before the winding up or dissolution of the Council, which committee shall consist of an equal number of employer and employee representatives. In the event of such committee being unable to carry out its duties for any reason, the parties shall appoint a trustee or trustees to carry out the duties of the committee and such trustees shall have the same powers as the committee for this purpose.
- 12 In the event of there being no Council in existence at the time of expiry of this Agreement, the Sick Benefit Fund shall be liquidated by the committee or trustees appointed to manage the Fund.
- 13 In the event of the liquidation of the Sick Benefit Fund, the moneys remaining after payment of all claims against the Fund, including administration and liquidation expenses, shall be paid into the general funds of the Council. In the event of the Council having been wound up before the liquidation of the Sick Benefit Fund, the moneys remaining shall be distributed equally among the parties to the Council immediately prior to its dissolution.

## 2. DEFINITIONS

1. "FUND" shall mean the Hairdressing Trade Sick Benefit Fund
2. "MANAGEMENT BOARD" shall mean Chairman and Vice Chairman and four members appointed by the Council from time to time.
3. "MEDICAL OFFICER" shall mean a general practitioner /s nominated by the Management Board for the purpose of providing medical service to members
4. "MEMBERS" shall mean any person employed in the Hairdressing Trade, and who contributes towards the fund, but shall not include any person whom the Management Board has advised in writing that he/she is excluded from the fund on account of :
  - (a) Chronic sickness
  - (b) Any good reason recognized by the Board as being sufficient.
5. "SECRETARY" of the Fund shall mean the person elected to act Secretary of the Funds in terms of these Rules.
6. "CONTRIBUTIONS" shall mean the amount payable weekly or monthly by the members in respect of benefit under this Fund (See monthly contributions table).
7. "WAITING PERIOD" shall mean the first day, of anyone's sickness where compensation will not be payable. Provided, that if a member is ill on a Friday, Saturday or Monday including the day prior to and or succeeding a paid public holiday a Doctor's certificate shall be produced before compensation will be paid.
8. "PROBATION PERIOD" shall mean a period of 13 weeks calculated from the first contribution to the fund, and during which no accident sickness, medical and pharmaceutical benefits will be payable: provided that during such Probationary Period, the member shall be in permanent employment, and provided that the Management Board shall have power, at their discretion, to grant Medical Aid from the date of sickness.

## 3. PROCEDURES

This is a summary of general administration rules and benefits. Members are encouraged to refer to the full rules of the Fund:

1. There is a 'probationary period' of three months from the beginning of the month of application.
2. Members are responsible for the prescribed levy of 25% of the price of each prescription.
3. Medicines are paid for only on the authority of a prescription signed by a medical practitioner.
4. A member may claim benefits if he is on leave – provided that contributions have nevertheless been made in full by the employer.
5. Claims must be submitted to the fund within three months of the date of the consultation.
6. Scheme "A" members must be attended to by a medical officer nominated or appointed by the Fund for this purpose. Details of such medical officers are available from the secretary.
7. Claims in respect of Sick Pay must be confirmed by the employer as not having been previously or otherwise paid.
8. A member is entitled to be paid sick pay for a maximum period of 6 weeks in any one benefit cycle of 52 weeks of contributory service. Benefits may not exceed one hundred per cent (100%) of the prescribed minimum wages for his class of employment for the first two weeks, and 50% of the prescribed minimum wage for his class of employment for the balance of the period of six weeks.
9. A funeral benefit is payable in respect of the principal member of the fund. Family members must produce proof of the death of the member for the attention of the Management Board. (Currently R1 500.00)
10. A 'maternity benefit' in respect of the birth of a child is payable to the principal member on the production of proof of the birth of her child. (Currently R1 000.00)

### CONTRIBUTION SCHEDULE

		SCHEME "A"			SCHEME "B"
		M	<i>M+1</i>	<i>M+2</i>	<i>M+3</i>
EMPLOYER-as a member	R100	R175	R313	R441	R580
QUALIFIEDS/RECEPTIONIST/APPY-3	R100	R175	R313	R441	R580
BEAUTICIANS/BARBER/BEAUTY EMPLOYER CONTRIBUTION	R70	R70	R70	R70	R70
SHAMPOOIST/CLEANER/UNQUALIFIED	R95	R175	R313	R441	R580
BEAUTY/APPY-2 EMPLOYER CONTRIBUTION	R65	R65	R65	R65	R65
AFRO QUALIFIEDS/RECEPTIONIST/AFRO	R100	R175	R313	R441	R580
UNQUALIFIED EMPLOYER	R70	R70	R70	R70	R70
AFRO SHAMPOOIST /GENERAL ASSISTANT EMPLOYER	R91	R175	R313	R441	R580
	R65	R65	R65	R65	R65

**SCHEDULE OF BENEFITS**  
**Scheme A (2008)**

		<b>Scheme "A"</b>
		<b>(2008)</b>
(a)	<b>FREE GENERAL MEDICAL ATTENTION</b> Administered by a Medical Officer of the Fund	
(b)	<b>EMERGENCY TREATMENT BY A PRIVATE DOCTOR</b> including provincial Hospital - limit per visit towards the expenses arising therefrom	R250.00
	Limit per annum	R500.00
(c)	<b>SPECIALIST FEES</b> Provided the visit to the specialist in the first instances is authorized by a medical officer of the fund	not exceeding per annum
		R750.00
(d)	<b>MEDICINES AND DRUGS</b> N.B. 25 % levy on each prescription	Limit per annum
		R1 500.00
(e)	<b>RADIOLOGISTS -</b>	Limit per annum
		R500.00
(f)	<b>PATHOLOGISTS</b>	Limit per annum
		R500.00
(g)	<b>Hospitalizations</b> <b>Operations</b> <b>Theatre Fees</b>	not exceeding per annum
		R2 700.00
(h)	<b>OPTICAL SERVICES</b> Only an Optometrist recommended by the Board will be a claim on the Fund. Before incurring any expenses please check with the Fund first.	not exceeding every 2 years
		R1 000.00
(i)	<b>DENTAL SERVICES</b>	not exceeding per annum
		R500.00
(j)	<b>AUXILIARY SERVICES</b> <i>AMBULANCE</i> <i>BLOOD TRANSFUSIONS</i> <i>HOMEOPATHIC TREATMENT</i> <i>PSYCHIATRY</i>	per annum
		R500.00
<b>Maximum Annual Benefit (Excluding Sick Benefits)</b>		<b><u>R2 700.00</u></b>

**EXCLUSIONS**

The Sick Benefit Fund does not pay the following:-

1. Medicines not prescribed by doctors, dentists or specialists.
2. Any injuries or illness arising from war or riots; suicide or intentional self-injury; Drunkenness, drugs or disorderly conduct, insanity, venereal disease.
3. In cases of illness or disease arising out of or in connection with or incidental to pregnancy or childbirth, Maternity and/or sequela;
4. Mental conditions.
5. Slimming tablets, treatment and/or devices of a preventative or prophylactic nature which includes dental prophylaxis.
6. Treatment for alcoholism, narcotics, drug addiction, sexually transmitted diseases, and /or HIV/Aids.
7. Cosmetic medications / treatments

**SCHEDULE OF BENEFITS**  
**Scheme B (2008)**

<b>Scheme B</b>		<b>(2008)</b>
(a)	<b>FREE GENERAL MEDICAL ATTENTION</b> administered by the Medical Officer of the Fund or; The use of the members own private Practitioner/or Provincial Hospital doctor for which the fund's liability shall not exceed (per visit)	R250.00
	Maximum per family per annum	R1 000.00
(b)	<b>SPECIALIST FEES</b> Provided the visit to the specialist in the first instances is authorized By the medical officer/s of the fund.-.	not exceeding per annum
		R1 200.00
(d)	<b>MEDICINES AND DRUGS</b> N.B. 25 % levy on each prescription	Limit per annum
		R1 500.00
(e)	<b>RADIOLOGISTS -</b>	per annum
		R750.00
(f)	<b>PATHOLOGISTS</b>	per annum
		R650.00
(g)	<b>Hospitalizations</b> <b>Operations</b> <b>Theatre Fees</b>	not exceeding per annum
		R4 600.00
(h)	<b>OPTICAL SERVICES</b> Only an Optometrist recommended by the Board will be a claim on the Fund. Before incurring any expenses please check with the Fund first.	not exceeding every 2 years
		R1 250.00
(i)	<b>DENTAL SERVICES</b>	not exceeding per annum
		R750.00
(j)	<b>AUXILIARY SERVICES</b> <i>AMBULANCE</i> <i>BLOOD TRANSFUSIONS</i> <i>HOMEOPATHIC TREATMENT</i> <i>PSYCHIATRY</i>	per annum
		R650.00
<b>Maximum Annual Benefit (Excluding Sick Benefits)</b>		<b><u>R4 600.00</u></b>

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3. In cases of illness or disease arising out of or in connection with or incidental to pregnancy or childbirth, Maternity and/or sequela;
4. Mental conditions.
5. Slimming tablets, treatment and/or devices of a preventative or prophylactic nature which includes dental prophylaxis.
6. Treatment for alcoholism, narcotics, drug addiction, sexually transmitted diseases, and /or HIV/Aids.
7. Cosmetic medications / treatments