

**NO 130 OF 1993 COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASES ACT, AS AMENDED FROM TIME TO TIME**  
**UPDATE OF THE PROCEDURE FOR THE SUBMISSION OF THE RETURN OF EARNINGS FORMS BY 31 MARCH EACH YEAR / AND LETTERS OF GOOD STANDING**

In the event of an accident in the workplace during working hours, an employee or his/her dependents are entitled to benefits. All employers who employ one or more part-time or full-time employees must register with the Compensation Fund and pay an annual assessment fee. Before 31 March each year, all employers (including contractors) must submit a statement of earnings paid to all their employees from the beginning of March to the end of February the following year (Return of Earnings, W. As 8 form).

The annual assessment fee is calculated on employees' earnings and an assessment based on the risks associated with the type of work being done. Assessment tariffs are reviewed annually and must be paid (in advance for the year ahead).

For effective and efficient service, employers are encouraged to make use of the recently implemented on-line facility and register on the ROE website ([www.labour.gov.za](http://www.labour.gov.za)).

- For new users, registration for a DOL User Account is a necessary first step.
- The ROE website may be used to update organization details, to submit the Return of Earnings, and for consultants to add organizations to their profile.

If the employer does not have access to the internet they are encouraged to make contact with their local labour centre (please refer to the attached list). Alternatively, forms can be submitted by fax or post.

New employers must complete a W As 2 form and submit it together with a copy of the registration as a business, preferably to their local labour center or to the Dol, Kwazulu Natal Provincial Office, (refer to the attached list).

**LETTERS OF GOOD STANDING - COIDA**

With immediate effect, letters of good standing will only be issued to employers who meet the following criteria:

1. Employer must be registered with the Fund as per section 80 of the COIDA Act.
2. Employer must have submitted **ALL** return of earnings as per section 82.
3. Employer must be fully assessed as per section 83.
4. Employer must have paid/settled **ALL** outstanding debt as per section 86.
5. The request letter must be on the employer's letterhead and must have a date.
6. The Compensation Fund reference number must be stated on the request letter.
7. The employer must append a signature on the request letter.
8. The employer's request letter must be affixed with a Labour Centre / Provincial office stamp.
9. The Labour Centre will attach a submission document which should be signed and stamped and then faxed to the Provincial Office.
10. Employers that have not yet been assessed by the Compensation Fund will first be assessed, up to the current assessment year and are expected to pay all assessments in order to meet the criteria set out above. This process will also assist the Fund in finalising all assessment backlogs.

**NB. If the above requirements are met, a letter of good standing will be granted. The employer must be provided with a copy of the stamped request letter as proof of DoL having received the application.**

**LETTERS OF GOOD STANDING – INSTALMENT ARRANGEMENTS**

Letters of good standing will only be issued on a month-by-month basis to employers that have entered into an instalment arrangement. With immediate effect the Compensation Commissioner will issue letters of good standing on the following conditions:

1. 20% of the balance owed will be required upfront in order to enter into an instalment arrangement.
2. The instalment arrangement will be approved for a maximum period of 12 months.
3. Interest of 10% will be levied on all instalment arrangements.
4. Should the instalment fall overdue, the full balance becomes payable immediately.
5. Employers will be served with court orders for all instalments not honoured.

### **TENDER LETTERS (EMERGING EMPLOYERS) – COIDA**

With immediate effect, the Compensation Commissioner will issue tender letters under the following conditions:

1. Tender letters will be issued to businesses with **NO** employees.
2. Employers who have been operating businesses without having registered with the Compensation Fund are not eligible to apply for tender letters.
3. Tender documents must be presented to the Compensation Fund in order to qualify for the issue of a tender letter.
4. The tender letter will be addressed to the Company issuing the tender.
5. The tender letter will be issued for a specific tender.
6. The responsibility to register the successful bidder with the Compensation Fund is now transferred to the company issuing the tender.
7. Criminal proceedings will be instituted against businesses that unlawfully or intentionally defraud and/or misrepresent facts about their employment details.
8. The request letter must be on the employer's letter head and must have a date.
9. The Compensation Fund reference number (if available) must be stated on the request letter.
10. The employer to append a signature on the request letter.
11. The employer's request letter to be affixed with a Labour Centre/Provincial Office stamp.
12. A valid SARS clearance certificate must be submitted by those employers registered with CIPC (Companies and Intellectual Property Commission).
13. The employer must inform the Labour Centre whether the business is operating and whether there any employees.
14. The Labour Centre will then attach a submission document and issue a tender letter and must keep a record.
15. Employers are to submit a certified copy of the ck/company registration documents and the identity documents of the director/s. For a sole proprietor an identity document is sufficient. If the business is a closed corporation, the employer must submit a tax clearance certificate.
16. Any request submitted via an accountant/book keeper/payroll agent, must be accompanied by an original or certified copy of a Power of Attorney signed by both.

### **PROOF OF REGISTRATION WITH THE COMPENSATION FUND**

**All the requirements as for a Letter of Good Standing apply. The above are issued on new registrations and are valid for three months and are issued at the Provincial office only. (Nomfi Cweba, Assistant Director – Compensation Fund, 031 366 2028, [nomfi.cweba@labour.gov.za](mailto:nomfi.cweba@labour.gov.za))**

This guideline is summarized from documents issued by the Compensation Fund at the Department of Labour Stakeholders meeting held on 21 February 2013.