

# NATIONAL BARGAINING COUNCIL

for the Hairdressing - Cosmetology - Beauty & Skincare Industry

HBSI PENSION FUND - FRONT OFFICE

P.O.BOX 72117  
LYNNWOOD RIDGE  
0040

TEL NO: 086 111 4662  
FAX NO: 086 551 2587  
EMAIL: hbspension@prevue.co.za

7 June 2022

Dear Employer and Member (Employee)

## Hairdressing Beauty and Skincare Industry Pension Fund

We had a couple of cases where the employee`s sick leave and normal leave were exhausted, put on unpaid leave and passed-away before the impending disability claim was submitted. We need to highlight that the principal of “no premium no cover” applies to all group life schemes and that cover ceases on date of last contribution received, irrespective of an impending claim or not. The insurer/s came back confirming that if a member does not appear on a membership list, no claim will be paid on date of assessment and applies to all claims, i.e. Death, Disability, Critical Illness and Funeral.

This also applies in cases where members are Maternity Leave for a period of time. These employees needs to be flagged as “Temporary Absence” on the monthly schedules submitted to the Bargaining Council.

It is therefore crucial for Employers to ensure that premiums continue whilst on unpaid leave for whatever reason such as Maternity Leave or impending Disability for example, so that cover can continue until the employee returns to work or the assessment of the impending claim has been finalised. During this time of temporary absence, only Employer contributions are payable and calculated as follows:

	Category 1 (KZN only)	Category 2 (All other)
Administration	0,3944%	0,3944%
Collection fee	0,3000%	0,3000%
Consulting fee	0,0520%	0,0520%
Death and Disability	1,0000%	1,0000%
<b>Employer Contributions</b>	<b>1,7464%</b>	<b>1,7464%</b>
<b><i>The following costs must also be paid in addition as a fixed R/c amount per member per month</i></b>		
Funeral	R14,60	R14,60
Critical Illness	R 7,80	R 7,80
<b>Total</b>	<b>R22,40</b>	<b>R22,40</b>

These amounts need to be paid to the Bargaining Council whilst the person is on Maternity Leave or Impending Disability.

**NB: THIS PERCENTAGE CAN CHANGE, SO CONFIRM BEFORE DEDUCTING.**

Yours sincerely

**Front Office  
Hairdressing Beauty and Skincare Industry Pension Fund**