



FURNITURE BARGAINING COUNCIL

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CIRCULAR 02/21

TO ALL EMPLOYERS AND EMPLOYEES IN THE INDUSTRY

Please be advised that the amendments relating to the split between the Provident Fund contributions and the new Death and Funeral Scheme (DFS) contributions [previously known as Death and Disability Scheme (DDS) contributions] to the Industry's Main Collective Agreement, as unanimously agreed upon by all the Parties to the Council during November 2020, were now published under Government Notice No. R. 30 in Government Gazette No 44090 of 22 January 2021 and becomes effective for all establishments, employers and employees, no later than the **first full pay week in February 2021**.

Key Amendments

- Death and Funeral Scheme (DFS) Contributions
- Provident Fund Contributions

1. DEATH AND FUNERAL SCHEME (DFS) CONTRIBUTIONS

Death and Funeral Scheme (DFS) contribution per member per week shall be a fixed amount, where **1 hour or more** wages per week are payable to an employee, with the following values:

Category of DFS contribution	Employee DFS contribution payable from the first full pay week in February 2021	Employer DFS contribution per Employee payable from the first full pay week in February 2021
Standard	R9-50 per week	R9-50 per week
Employees employed under the Newly Employed Employee Concession (NEEC)		
Years One to Three of employment	R0-00 per week	R7-40 per week
Newly established small employer concession		
Phase One and Phase Two	R0-00 per week	R7-40 per week
Phase Three	R9-50 per week	R9-50 per week

NB: The above amounts shall be renegotiated with the insurers from time to time.

2. PROVIDENT FUND CONTRIBUTIONS

Provident Fund contributions shall be calculated on a sliding scale per wage band, when **more than 20 hours'** wages per week are payable to an employee as follows:

Wage Band	Employee % Contribution payable from the first full pay week in February 2021	Employer % Contribution payable from the first full pay week in February 2021
From R0 – 1 200	5.0% per week	5.0% per week
Above R1 200 – R1 500	5.2% per week	5.2% per week
Above R1 500 – R2 000	5.35% per week	5.35% per week
Above R2 000	5.5% per week	5.5% per week

NB: Provident Fund contributions are calculated at a percentage of the employee's normal weekly wages deducted from the employee per week, calculated on the establishment's normal ordinary hours of work per week, plus an equal amount from the employer.

NB: All other provisions of the Industry's Main Collective Agreement will remain applicable.

Kindly ensure that all provisions of this Circular are complied with. Please contact the Council's Inspectorate Department should you require any additional information or clarity regarding this Circular.

Please do not contact any junior staff members of the Council for any additional information or clarity regarding this Circular.

A COPY OF THIS CIRCULAR MUST BE DISPLAYED ON YOUR ESTABLISHMENT'S NOTICE BOARD

29 January 2021