



FURNITURE BARGAINING COUNCIL

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CIRCULAR 20/20

TO ALL EMPLOYERS AND EMPLOYEES IN THE INDUSTRY

DEATH AND DISABILITY SCHEME (DDS) SPLIT FROM PROVIDENT FUND

Please be advised that it was unanimously agreed by all the Parties to the Council that the split between Provident Fund contributions and the new Death and Funeral Scheme (DFS) contributions (previously known as Death and Disability Scheme (DDS) contributions), take effect from each establishment's first full pay week in January 2021, or at such a later date as may be determined and promulgated by the Minister of the Department of Employment and Labour in the Government Gazette concerned.

1. DEATH AND FUNERAL SCHEME (DFS) CONTRIBUTIONS

Death and Funeral Scheme (DFS) contribution per member 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 January 2021, or at such a later date as may be determined by the Minister of Labour	Employer DFS contribution per Employee payable from the first full pay week in January 2021, or at such a later date as may be determined by the Minister of Labour
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 Phase Three	R0-00 per week R9-50 per week	R7-40 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 January 2021, or at such a later date as may be determined by the Minister of Labour	Employer % Contribution payable from the first full pay week in January 2021, or at such a later date as may be determined by the Minister of Labour
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 normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week, plus an equal amount from the employer.

Any queries that you may have regarding this Circular must be directed to your area agent or the Council's Inspectorate Department. Please do not direct any queries you may have regarding this Circular to any other Council staff members.

25 November 2020