



Social Security  
Commission

## **MSD & ECF Benefits Increases**

### ***SSC IMPROVES ITS BENEFITS AND ASSESSMENT RATES***

For release: Monday, 16 April 2012

***Social Security Commission hereby announce that with effect from 1 March 2012, the benefits paid under the Maternity leave, Sick leave and Death benefits Fund (“MSD Fund”) and the Employees’ Compensation Fund (“EC Fund”) have been increased as follows:***

#### **1. MSD Fund benefits (Government Gazette 4919)**

##### **1.1 Maternity Leave benefits**

Maternity leave benefits have been adjusted from the maximum of N\$10,000 to N\$10,500 per month which represents a 5% increase.

##### **1.2 Sick Leave benefits**

Sick leave benefits are paid at 75% of the new maximum basic wage of N\$10,500 per month for the first twelve months and 65% for the last twelve months, translating into a maximum of N\$7,875 per month and N\$6,825 per month for the two respective periods. Prior to the latest increase, sick leave benefits were calculated at a maximum basic wage of N\$9,000 per month.

##### **1.3 Death, Disability and Retirement benefits**

The death benefit payment has also been increased from N\$5,000 to the current N\$5,515, representing a 10.3% increase. Similarly, a single lump sum of N\$5,515 will be paid to members upon retirement or permanent disability.

The contribution rate for the MSD Fund will remain at 1.8% of the employee's basic salary shared on a 50/50 basis by the employer (0.9%) and the employee (0.9%) on a maximum basic salary ceiling of N\$6,000 per month or N\$54 maximum contribution per month. This means that there will be no increases in contributions for members for the fourth consecutive year, as the MSD Fund will shoulder the cost of these adjustments.

#### **1. EC Fund benefits (Government Gazette 4919)**

The Employees’ Compensation Act, (Act 30 of 1941 - ECF), provides for the payment of benefits to injured employees as a result of an accident arising out of and in the course of their employment and reasonable medical expenses incurred by or on behalf of injured employees, in accordance with the tariffs published.

## 2.1 EC benefits increases with effect from 14 March 2012

Section (Act 30 of 1941)	Benefit type and description	Previous amount	New Amount maximum w.e.f 14 March	%increase
Section 38(1)(a)	Temporary Total Disablement ("TTD")	N\$5,000	N\$5,500	10%
Section 38 (4)	Maximum amount of any periodical payments in respect of TTD	N\$5,000	N\$5,500	10%
Section 39(1)(a) and (b)	Lump sum amount equal to degree of Permanent Disablement ("PD") up to 30%	N\$3,000	N\$3,300	10%
Section 39(1)(c) and (d)	Monthly pension equal to permanent disablement above 30% up to 100%	N\$5,000	N\$5,500	10%
Section 39 (2)	Maximum amount of monthly pensions in respect of PD.	N\$5,000	N\$5,500	10%
Section 40(1)(a)	Lump sum amount for surviving spouse without dependants	N\$3,750	N\$4,500	20%
Section 40(1)(b)	Maximum amount of pension payable to surviving spouse with dependants	N\$5,000	N\$5,500	10%
Section 40(1)(e)	Lump sum amount payable if no spouse or children	N\$2,500	N\$4,000	60%
Section 40(2)	Burial expenses in respect of fatal injury/accident on duty	N\$3,120	N\$3,450	10.5%

## 2.2 Assessment rates (Government Gazette 4919)

With effect from 1 March 2012, the assessment rates for wage returns have also been increased from the N\$60,000 to N\$66,000 per annum. This means that all assessments for the purpose of completion of wage returns for employees earning up to a maximum of N\$76,000 per annum will now be done at a maximum of N\$66,000 per annum or N\$5,500 per month as opposed to N\$5,000 previously.

## 2.3 Medical tariffs payable to service providers (Government Gazette 4921)

The Commission has reviewed and adjusted the EC medical aid tariffs payable to various medical service providers. The new tariffs, which took effect as from 1 March 2012, are on par with the Namibian Medical Aid Funds ("NAMAFA") as contained in the NAMAFA Benchmark Tariffs for 2012. A detailed list of the new tariffs can be obtained from the government printer (Solitaire Press), as Government Gazette no. 4921.

The SSC hope that the gazetting of the newly adjusted tariffs is not only a historical milestone and a positive achievement for the Commission, but will also go a long way in serving the interest of our members, while at the same time, taking care of the business interests of our service providers. The SSC is therefore committed to do business with any medical service provider with a view to maintaining a harmonious and long-term business working relationship in the best interest of our members, employers and all the Namibian people or Namibian inhabitants. Finally, the SSC would like to express its heartfelt gratitude to those health facilities and medical practitioners who have been rendering services for injuries-on-duty cases to date. We hope that you will continue to assist our members to ultimately ensure that Namibia has a healthy and productive workforce with improved socio-economic conditions as we march towards the realization of NDP4 and Vision 2030. For this reason, we appeal to more service providers to assist and treat injury on duty cases.

**For further enquiries, kindly contact any Social Security Commission offices countrywide or the Customer Call Centre in Windhoek at telephone number 061-2807074, 28070777 or 2807080.**