

## SOCIAL SECURITY COMMISSION UPS ITS MSD BENEFITS

Last Updated Wednesday, 08 April 2009

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The Social Security Commission would like to announce the following benefit adjustments with effect from 1 April 2009.

- Maternity Leave benefits remains at 100% payment of the basic wage – but the ceiling has been adjusted from the maximum of N\$6,000 to N\$7,000 per month resulting in a 17% increase in benefits.
- Sick Leave benefit is now 75% of the new maximum basic wage of N\$7,000 per month for the first six months, translating into N\$5,250 per month; the minimum remains at N\$225 per month. Sick leave benefits after the first six months will be paid at a rate of 65% of the basic wage with a maximum of N\$4 550 for a further 18 months. For sick leave during the first 6 months this increase in benefits is 17% while the increase for the period after 6 months is 26%.
- Death Benefit increases by 14% from N\$3,500 to N\$4,000 and the same amount is payable in respect of retirement or permanent disability claims.

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 a N\$54 maximum contribution per month. This means that there will be no increases in contributions for members, and the Commission will shoulder the cost of these adjustments. This is the first time that the Commission increases its maternity and sick leave benefits without adjusting the contribution ceiling. Within the context of the prevailing economic hard times, the Commission believes that this gesture will go some way in easing the hardship under which its members are finding themselves.