

REPUBLIC OF SOUTH AFRICA

ALEKKOR LIMITED AMENDMENT BILL

(As introduced in the National Assembly as a section 75 Bill; explanatory summary of Bill published in Government Gazette No 22255 of 4 May 2001) (The English text is the official text of the Bill)

(MINISTER OF PUBLIC ENTERPRISES)

[B 29—2001]

REPUBLIEK VAN SUID-AFRIKA

WYSIGINGSWETSONTWERP OP ALEKKOR BEPERK

(Soos ingedien in die Nasionale Vergadering as 'n artikel 75-wetsontwerp; verduidelikende opsomming van Wetsontwerp in Staatskoerant No 22255 van 4 Mei 2001 gepubliseer) (Die Afrikaanse teks is die amptelike vertaling van die Wetsontwerp)

(MINISTER VAN OPENBARE ONDERNEMINGS)

[W 29—2001]

ISBN 0 621 30963 X

GENERAL EXPLANATORY NOTE:

Words underlined with a solid line indicate insertions in existing enactments.

BILL

To amend the Alexkor Limited Act, 1992, so as to provide afresh for the sale or disposal of shares held by the State in Alexkor Limited; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 4 of Act 116 of 1992

1. Section 4 of the Alexkor Limited Act, 1992, is hereby amended by the substitution for subsection (3) of the following subsection: 5

“(3)(a) The Minister may, with the concurrence of the Minister of Finance, sell or otherwise dispose of shares in the company to any person.

(b) The conditions as to shareholding in the company must be determined by the Minister subject to approval by the Cabinet.”.

Short title

10

2. This Act is called the Alexkor Limited Amendment Act, 2001.

MEMORANDUM ON THE OBJECTS OF THE ALEXKOR LIMITED AMENDMENT BILL, 2001

Objects

1. The Alexkor Limited Amendment Bill seeks to amend the Alexkor Limited Act, 1992 (Act No. 116 of 1992), by the substitution for section 4(3) of that Act of provisions enabling the Minister of Public Enterprises to sell shares of Alexkor Ltd held by the State to any person. This would enable the Minister to restructure the shareholding of Alexkor.

2. Section 4(3) of the Act at present imposes restrictions on the sale or disposal of shares held by the State. Such sale or disposal has to be effected through a listing process on the Johannesburg Stock Exchange. Currently Alexkor is making serious losses and it is thus not ready for listing.

3. The restrictions contained in section 4(3) stand in the way of changing Alexkor into a profit-making organisation.

Financial implications for State

4. None.

Bodies/Departments consulted

5.1 Department of Minerals and Energy.

5.2 National Treasury.

5.3 The board of directors of Alexkor Limited.

PARLIAMENTARY PROCEDURE

6. The State Law Advisers and the Department of Public Enterprises are of the opinion that this Bill must be dealt with in accordance with the procedure established by section 75 of the Constitution since it contains no provision to which the procedure set out in section 74 or 76 of the Constitution applies.