REPUBLIC OF SOUTH AFRICA

SPECIAL PENSIONS AMENDMENT BILL

(As introduced in the National Assembly as a section 75 Bill; explanatory summary of Bill published in Government Gazette No 24196 of 18 December 2002)

(The English text is the official text of the Bill)

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

BILL

To amend the Special Pensions Act, 1996, in order to provide that a right to a pension in terms of that Act ceases when a right to a pension in terms of the Government Employees Pension Law, 1996, is recognised; and to make it clear that that provision does not affect a dependant's right to receive a pension in his or her own right in terms of section 1 of the Special Pensions Act, 1996; and to provide for matters connected therewith.

B^E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 14 of Act 69 of 1996

1. Section 14 of the Special Pensions Act, 1996, is hereby amended by the addition of the following subsection:

"(4) (a) Subject to paragraph (b), any person's right to a pension in terms of this Act ceases on the day on which that person's right to a pension in terms of the Government Employees Pension Law, 1996 (Proclamation No. 21 of 1996), is recognised as contemplated in section 30A of that Law.

(b) This subsection must not be interpreted as preventing a dependant of a person contemplated in paragraph (a), who qualifies in terms of section 1 for a pension in his or her own right, from receiving such pension."

Short title

2. This Act is called the Special Pensions Amendment Act, 2003, and comes into effect on a date fixed by the President by proclamation in the *Gazette*.

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MEMORANDUM ON THE OBJECTS OF THE SPECIAL PENSIONS AMENDMENT BILL, 2003

The purpose of the Special Pensions Amendment Bill is to amend the Special Pensions Act, 1996 (Act No. 69 of 1996). The amendment provides for the exclusion from the right to a pension by any persons who are members or pensioners of the Government Employees Pension Fund (GEPF) and whose service in non-statutory forces prior to the integration of those forces is recognised as pensionable service for the purpose of computing benefits payable by the GEPF to such persons.

It does not exclude the right to a pension by persons who receive benefits from the GEPF by virtue of their relationship with such members or pensioners.

FINANCIAL IMPLICATIONS

It should have the effect of reducing the benefits payable in terms of the Act since those entitled to benefits (other than dependant's benefits) under the GEPF will no longer be entitled to benefits under the Special Pensions Act. Members who have already received benefits under the Special Pensions Act will repay such benefits or have their pensionable service granted reduced.

COMMUNICATION IMPLICATIONS

The Department of Defence and other affected government departments will communicate the contents of the changes brought about by the Bill to the relevant persons.

CONSTITUTIONAL IMPLICATIONS

The Bill gives effect to section 224(2) of the interim Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993). This section provides for the integration of seven former forces constituting the SANDF. In terms of item 24(1) of Schedule 6 to the new Constitution, 1996 (Act No. 108 of 1996), the said section 224 continues in force as if the Interim Constitution had not been repealed.

OTHER DEPARTMENTS/ BODIES/ PARTIES CONSULTED

Department of Public Service and Administration Department of Defence The South African Police Service The National Intelligence Agency

PARLIAMENTARY PROCEDURE

The State Law Advisers and the National Treasury are of the opinion that the Bill must be dealt in accordance with the procedure established by section 75 of the Constitution since it does not contain any provision to which the procedure set out in section 74 or 76 of the Constitution applies.