
GENERAL NOTICE

NOTICE 3456 OF 2002

NATIONAL TREASURY

PUBLICATION OF THE SPECIAL PENSIONS AMENDMENT BILL, 2003

The Minister of Finance intends tabling the Special Pensions Amendment Bill, 2003 in Parliament during the first Parliamentary term. The Bill is published in accordance with Rule 241(1)(c) of the Rules of the National Assembly.

Interested persons and institutions are invited to submit written representation on the Bill to the Secretary to Parliament by no later than 20 January 2003.

All submissions must be addressed to:

The Secretary to Parliament
c/o Messrs A Hermans/J Michaels/J Russouw
Committee Section
Parliament of the RSA
P.O. Box 15
CAPE TOWN
8000

You can contact Messrs A Hermans/J Michaels or J Russouw at:

Fax: (021) 462 2141

Tel: (021) 403 3776/3806/3743

Email: ahermans@parliament.gov.za
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GENERAL EXPLANATORY NOTE:

- [] Words in bold type in square brackets indicate omissions from existing enactments.
- 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 recognized; 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.

BE 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 recognized 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*.

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 or normal attestation into an employer, as defined in section 1 of the Government Employees Pension Law of 1996) is recognized 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

DPSA
Department of Defence
The South African Police Service
The National Intelligence Agency

PARLIAMENTARY PROCEDURE

The State Law Advisers and the Department of Finance 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.