**MEDIA STATEMENT**

**STANDING COMMITTEE ON FINANCE CONTINUES TO PROCESS PENSIONS FUND AMENDMENT BILL**

**Parliament, Tuesday, 24 August 2021 –**The Chairperson for the Standing Committee on Finance**,**Mr Joseph Maswanganyi**,**said the legislative process should take its course in processing the Pensions Funds Amendment Bill.

“We should not deviate from parliamentary processes of processing the bill in terms of timelines, because if a member of the public should challenge us in a court of law in terms of procedure, Parliament will be found to be wanting. So let us stick to the parliamentary procedures,” said Mr Maswanganyi. “We need to make sure that we are meticulous in whatever we do and we will do everything not to prejudice a member, as we do not have a predestined outcome of the bill.”98

The Pensions Fund Amendment Bill aims to amend the Pension Funds Act to allow pension fund members to access a portion of their fund before retirement as a guarantee for a loan. The bill is a Private Member’s Bill initiated by committee member Dr Dion George.

The committee received a briefing from Parliament’s legal services on the submissions received, after it had invited interested parties to submit written submissions on the bill.

 Dr George contributed to the discussion to say: “[if] we are open in allowing a facility for a withdrawal, a once-off withdrawal under certain circumstances, I do believe we should be open to that. The intention of the exercise is not to say we are going to do nothing. We did not write the bill for a lobby, but for the people of South Africa.”

Mr Maswanganyi said National Treasury is talking about withdrawals and Dr George is talking about a loan, and these are fundamentally different. Dr George indicated that there are indeed differences, hence he did not write “withdrawal” into his bill, because when you withdraw, you take money out of the fund and then you must pay tax. “What I’m proposing is a loan which gets repaid. I do believe my bill is a constructive step in the right direction and I’m not open to waiting, as I have a sound proposal. It's untrue that when you take a loan, you withdraw from the fund.”

Mr Maswanganyi said the committee will continue processing the bill and if National Treasury comes with another initiative, the committee will allow it to take its course. “We don’t what to be seen as stifling the process of the private member’s bill,” added Mr Maswanganyi.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE STANDING COMMITTEE ON FINANCE, MR JOSEPH MASWANGANYI**