

Report of Standing Committee on Finance on the Pension Funds Amendment Bill [B30 – 2020], 1 December 2021

Motion of Desirability on the Pension Funds Amendment Bill [B30 – 2020], as introduced in the National Assembly on 02 November 2020.

1. The Committee was, on 16 March 2021, briefed by Dr Dion George, the member who initiated and introduced the Pension Funds Amendment Bill [B30-2020] (“the Bill”).
2. The Committee published the Bill and requested interested persons to make written and oral submissions on the Bill on 4 May 2021.
3. On 19 May 2021, the Committee held public hearings and received submissions from nine stakeholders, six of whom also made oral presentations.
4. On 24 August 2021, the Committee received a briefing on the public submissions and deliberated on those submissions.
5. On 30 November 2021 the Committee received a letter from the Bill sponsor, Dr George seeking to effect amendments to the Bill to limit the percentage of the pension funds backed loans to 30 per cent, instead of the 75 percent initially proposed in the Bill. The Committee met on 01 December to deliberate on the Bill and to pass a Motion of Desirability as required by the National Assembly Rules.
6. The Committee voted on the Motion of Desirability. Dr Dion George, MP, moved for the adoption of the Motion of Desirability. Messrs. Wouter Wessels, MP, and Ashor Sarupen, MP, supported the motion. The members who supported the Bill stated that it would provide some relief to fund members given the difficult prevailing economic environment.

7. Mr. Gijimani Skosana, MP objected to the Motion of Desirability, seconded by Mr. Kenny Morolong, MP. The Members who did not support the Motion of Desirability stated that the Bill was not comprehensive enough as to its implications as no socio-economic or financial impact study had been conducted. The attached report of the Committee outlines further observations made by the Committee on the Bill. Ms. Dorothy Mabiletsa and Ms. Zanele Nkomo also objected to the Motion.
8. Three (3) members voted for and four (4) against the Motion of Desirability.
9. The Committee therefore rejected the Motion of Desirability on this Bill.

Report to be considered