RESOLUTION NO 7 OF 2003

PENSION AGREEMENT

SCOPE

1. This agreement binds:

   1.1 the employer;

   1.2 the employees of the employer who are members of trade union parties to this agreement; and

   1.3 the employees of the employer who are not members of any trade union parties to this agreement, but who fall within the registered scope of Council.

OBJECTIVES

2. The objectives of this resolution are to-

   2.1 provide for the recognition of service in the former Non Statutory Forces (NSF) as pensionable service in the Government Employees Pension Fund (GEPF),

   2.2 provide an equitable basis of recognising non-contributory service as pensionable service in the GEPF for persons eligible in terms of clause 7.2.2 of PSCBC Resolution 7 of 1998 read with clause 4.1 of PSCBC Resolution 12 of 2002, and

2.3 amend the formula contained in the Annexure to the Rules of the GEPF (PENSION BENEFITS IN TERMS OF SEVERANCE PACKAGES) with retrospective effect to remove a disparity in the calculation of benefits for former male and female members of the GEPF who left the service with a Voluntary Severance Package.

AGREEMENT

3. The parties to the Public Service Co-ordinating Bargaining Council (PSCBC) hereby agree to amend the Rules of the GEPF, in accordance with the draft rules attached to this agreement, to give effect to the recognition of service in the former NSF as pensionable service in the GEPF on the following basis:

3.1 Members who qualify will be those who joined the respective former Non-Statutory Forces and who entered into an employment agreement with the Department of Defence, the South African Police Service, the South African Secret Service and the National Intelligence Agency through integration, the attestation process or normal employment processes, or who are employed in the rest of the public service. The recognition is subject to the cut-off dates provided for in the End of the Integrations Intake Act, 2001, unless another arrangement is approved.

3.2 NSF service will be recognised on a sliding scale as follows: 50% thereof for members with less than 10 years NFS service, 100% thereof for members with 10 years and more NSF service.

3.3 Members will contribute at a rate of 5% in respect of the recognised service while the balance will be funded from the funds set aside under PSCBC Resolution 7 of 1998, to a maximum amount of R768 Million as on 31 May 2000.

3.4 For members who are unable or who choose not to pay the employee's contribution, pensionable service will be reduced accordingly.

3.5 Members who benefit from this agreement will be excluded from any benefits payable under the Special Pensions Act, 1996. Any and all amounts paid to eligible persons as a Special Pension or demobilisation benefit under the Demobilisation Act, 1996 at the date of recognition of NSF service will be taken into account in the computation of additional service under these provisions unless members opt to repay these benefits.

4. This agreement contains the full settlement for recognising service in the former Non-statutory Forces in the GEPF and clause 3 of this agreement repeals clause 3.14 of Resolution 12 of 2002.

5. The employer will ensure that all former General Assistants, who are eligible for increased pensionable service in accordance with PSCBC Resolution 7 of 1998[1] read with PSCBC Resolution 12 of 2002, receive pensionable service increases on the following basis:

   5.1 After subtraction of a period equal to the waiting period[2] that would have been imposed had the eligible former General Assistants been classified as temporary employees in terms of the employment system in force prior to 1 July 1993 and consequently been admitted to the Temporary Employees Pension Fund,

   5.2 The full period of actual non-contributory service will be recognised.

   5.3 The waiting period referred to in 5.1 must go into the basket of discriminatory practices for investigation by the Pensions Restructuring Task Team.

6. The parties to the Public Service Co-ordinating Bargaining Council (PSCBC) hereby further agree to amend with retrospective effect to 1 May 1996, the formula contained in the Annexure to the Rules of the GEPF (PENSION BENEFITS IN TERMS OF SEVERANCE PACKAGES). The amendment (insertion) agreed to is indicated in **bold** print below:

   Gratuity = [(R1 X N1) **+ (8% X N3)** + (R2 X N2)] X Z X D X Intfac X Sevfac

   Where:

   R1 = member's actual rate of contribution as at 30 April 1996 (6% for females and 8% for males)

   N1 = member's actual period of pensionable service as at 30 April 1996

   R2 = the rate of 7.5%

   N2 = member's period of pensionable service rendered from 1 May 1996 onwards

   N3 = periods of purchased service pre-1 May 1996.

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[1] PSCBC Resolution must be read with the Report of the Meeting of the PSCBC held on 2 and 3 December 1999 for purposes of defining eligible beneficiaries.

[2] Waiting period refers to qualifying periods imposed under the Regulations made in terms of the Temporary Employees Pension Fund Act, 1979.

GENERAL PROVISIONS

7.   No amendment to this agreement shall be in force or effect unless reduced to writing and signed by all parties concerned.

8.   The representatives of all relevant parties undertake to take all reasonable steps necessary to ensure the implementation of this agreement.

9.   If there is a dispute about the interpretation or application of this agreement, any party may refer the matter to the Council for resolution in terms of the dispute resolution procedure of the Council.

10. This agreement shall come into effect on the date that the relevant Rules are published in the Government Gazette.

11. The Council will monitor the implementation of this agreement.

ENTERED INTO AND SIGNED AT ......PRETORIA........ ON THIS THE
....18.... DAY OF .....NOVEMBER........ 2003.

ON BEHALF OF THE STATE AS EMPLOYER

	Name	Signature
State as Employer	K. GOVENDER	Govender.

ON BEHALF OF TRADE UNION PARTIES

Trade Union	Name	Signature
DENOSA		
HOSPERSA/NUPSAW		
NAPTOSA	MANFRED Rothbach	
NEHAWU	DAVE BALT	
POPCRU		
PSA		
SADTU	Arnold Mokgabodi / T.W. NXGSI	
SAPU	Awry Millon	