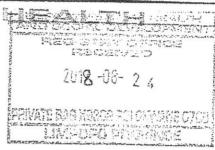


REPUBLIC OF SOUTH AFRICA

English English English English

REF: S/4/3

ENQ: MABASA G.T



TO: ALL DISTRICT EXECUTIVE MANAGERS. CHIEF EXECUTIVE OFFICERS, VERTICAL PROGRAMS, DIVISIONS, SUB-DIVISIONS, SUB-BRANCHES, BRANCHES AND ALL EMPLOYEES OF THE DEPARTMENT OF HEALTH

OF 2018

DEPARTMENTAL CIRCULAR NO:

COMPULSORY PENSION RETIREMENT AGE IN TERMS OF THE PUBLIC SERVICE ACT 1994 [ACT NO.103 OF 1994] AS AMENDED AND GOVERNMENT EMPLOYEE PENSION LAW AMENDMENT, 2011 [ACT NO 19 OF 2011] AS AMMENDED

- 1. Kindly be informed that the Department has noted the omissions in terms of compulsory pension retirement age based on the employees' date of appointment or commencement of membership to the fund.
- 2. You are therefore directed to treat the retirement of employees upon reaching the retirement age as provided hereunder:
- 3. Section 16.1 (a) of Public Service Act , 103 of 1994 as amended provides that "Subject to the provisions of this section, an officer, other than a member of the services or an educator or a member of the State Security Agency, shall have the right to retire from the public service, and shall be so retired, on the date when he or she attains the age of 65 years: Provided that a person who is an employee on the day immediately before the commencement of the Public Service Amendment Act, 1996, has the right to retire on reaching the retirement age or prescribed retirement date provided for in any other law applicable to him or her on that day [see Annexure A
- 4. Section section 19 of the Pension Government Employee Pension Law , 1996 provides that " Subject to the provision of this Law, a member shall have the right to retire on pension and shall be

so retired on reaching the age determined by the law governing his or her employment: Provided that where such law does not determine such a retirement age, a member:

- a. Who was a member of the Fund on the fixed date shall have the right to retire on pension and shall be so retired on reaching the retirement age provided for in any other law which applied to him or her on the day preceding the fixed date or
- b. Who became a member of the Fund after the fixed date shall have the right to retire and shall be retired on reaching the retirement age as determined in the rules [see Annexure B attached].
- 5. Section 3.4.1.d of National Treasury of South Africa Pensions Administration Procedure Manual provides that "Pension retirement date: The law governing the member's employment shall determine the Pension Fund "retirement date". Where such law is silent on a retirement date, two distinctions must be made:
  - If a member was a member of the fund on the fixed date (01 May 1996), his retirement age shall be the date provided for in any other law applied to him on the date. [Currently the age is 65 years]
  - If a member became a member of the fund after 01 May 1996, his retirement age shall be determined in terms of the rules (currently the age of 60 years) [see Annexure C
- 6. Please note that the early retirement age is 55 to 59 years as provided in the law.

 You are requested to inform the affected employees, inform them accordingly and process their retirement benefits.

HEAD OF BEPARTMENT: HEALTH

DATE: 23/08/20/8