
REPUBLIC OF SOUTH AFRICA

POST OFFICE AMENDMENT ACT

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.
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ACT

To amend the Post Office Act, 1958, so as to bring it into harmony with the Telecommunications Act, 1996; to make fresh provision for the subsidisation of the postal company; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 3 of Act 44 of 1958, as inserted by section 5 of Act 85 of 1991

1. Section 3 of the Post Office Act, 1958 (hereinafter referred to as the principal Act), is hereby amended— 5
(a) by the addition to subsection (4) of the following proviso:
“Provided that paragraphs (b)(ii), (c) and (d) shall not apply to the telecommunications company.”;
(b) by the substitution for subsection (5) of the following subsection:
“(5) Notwithstanding the provisions of the Companies Act, the postal company [and the telecommunications company] shall [each] not have more than one member, and the telecommunications company shall not have more than seven members.”.” 10

Amendment of section 5 of Act 44 of 1958, as inserted by section 5 of Act 85 of 1991

2. Section 5 of the principal Act is hereby amended by the substitution for subsection (7) of the following subsection: 15
“(7) The State may not alienate any shares or rights to shares in [a successor company] the postal company, and [a successor company] the postal company may not issue shares in [such company] itself to any person other than the State.”.

Substitution of section 6 of Act 44 of 1958, as inserted by section 5 of Act 101 of 1992

3. The following section is hereby substituted for section 6 of the principal Act:

“Subsidy to postal company

6. (1) During the first five years after the commencement of this section
the Minister may, in consultation with the Minister of Finance, out of
money appropriated by Parliament for the purpose, grant an annual subsidy
to the postal company in respect of normal expenditure.

(2) A request for a subsidy shall be submitted by the postal company to
the Minister by a date determined by the Minister in order for it to be in time
for the evaluation process for inclusion in the annual compilation and
exposition of the Government's expenditure proposals for appropriation
purposes.

(3) The payment of subsidies shall be for such purposes and period and
subject to such conditions as the Minister, with concurrence of the Minister
of Finance, may determine.”.

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**Amendment of section 7 of Act 44 of 1958, as substituted by section 6 of Act 85 of
1991 and amended by section 6 of Act 101 of 1992**

4. Section 7 of the principal Act is hereby amended by the deletion of subsection (2).

**Amendment of section 10A of Act 44 of 1958, as inserted by section 7 of Act 85 of
1991**

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5. Section 10A of the principal Act is hereby amended—

(a) by the substitution for subsections (5) and (6) of the following subsections,
respectively:

“(5) The postal employer [and the telecommunications employer]
shall guarantee the financial obligations of the postal pension fund [and 25
the telecommunications pension fund, respectively].

(6) The State shall guarantee the obligations of the postal employer
[and the telecommunications employer] in terms of subsection (5).”;

(b) by the substitution in subsection (7) for paragraphs (a) and (d) of the following
paragraphs, respectively:

“(a) The guarantee of the State in terms of subsection (6) shall be
limited to the difference between the amount paid in terms of section
8(5)(e) to the postal pension fund [or the telecommunications pension
fund, as the case may be] and the amount of the actuarial liability, on the
date of employment of an officer or employee by the postal employer [or
the telecommunications employer], of the pension fund referred to in
section 8(5)(c) in respect of those officers or employees of the
department who in terms of section 8(5)(d) become members of the
postal pension fund [or the telecommunications pension fund, as the
case may be], plus interest on that amount calculated at the rate which
shall, subject to paragraph (c), from time to time be determined by the
chief actuary.

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(d) The guarantee of the State in terms of subsection (6) shall decrease
to the extent to which the [companies concerned pay] postal company
pays the amounts plus interest referred to in paragraph (a) to the
[pension funds concerned] postal pension fund, in terms of [their] its
obligations under subsection (5) and shall be extinguished when the
obligations have been fully discharged.”.

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Short title

6. This Act shall be called the Post Office Amendment Act, 1997.

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