

**CHAPTER 02:04**  
**MINISTERS AND NATIONAL ASSEMBLY GRATUITIES AND PENSIONS**  
ARRANGEMENT OF SECTIONS

SECTION

1. Short title
2. Interpretation and application
3. Charge upon Consolidated Fund
4. Pensions and gratuities to be free of tax
5. Gratuities payable to members
6. Pensions payable in lieu of gratuities
7. Pensions to be index-linked
8. Gratuity payable to dependants and estate
9. Gratuity payable on death of retired member
10. Pensions not to be assignable
11. Insolvency

Act 7, 1998,  
Act 35, 2004,  
Act 14, 2005,  
Act 18, 2006.

**An Act to provide for pensions and gratuities payable to Ministers and Members of the National Assembly.**

[Date of Commencement: 14th November, 1994]

**1. Short title**

This Act may be cited as the Ministers and National Assembly Gratuities and Pensions Act.

**2. Interpretation and application**

(1) In this Act, unless the context otherwise requires-

**"average of constituency allowances"** means an amount equal to the average of the current monthly constituency allowances paid in respect of the four different categories specified in paragraph 4 of the Schedule to the National Assembly (Salaries and Allowances) Act;

**"basic salary"** in respect of a member of the National Assembly means the salary payable to him as such member, and in the case of the Speaker, Deputy Speaker, a Minister or an Assistant Minister includes any salary payable to him in respect of his service as such Speaker, Deputy Speaker, Minister or Assistant Minister;

**"completed month of service"** means a completed month of service beginning from the 14th November, 1994;

**"member"** means a member of the National Assembly, and includes a person deemed to be a member of the National Assembly by virtue of his election as the Speaker thereof, in accordance with the provisions of section 58 of the Constitution.

(2) The provisions of this Act shall apply to all Ministers and Assistant Ministers, and all members, and persons deemed to be members, of the National Assembly in accordance with the provisions of section 58 of the Constitution, other than the President.

**3. Charge upon Consolidated Fund**

There shall be charged upon and paid out of the Consolidated Fund of Botswana all such sums of money as may from time to time be granted by way of pensions or gratuities in accordance with the provisions of this Act.

**4. Pensions and gratuities to be free of tax**

All pensions or gratuities granted in accordance with the provisions of this Act shall be

payable free of tax.

#### **5. Gratuities payable to members**

Every member shall, upon the dissolution of Parliament, at the end of every Parliamentary term, be entitled to receive a gratuity equal to 30% of his current basic monthly salary plus 30% of the average of constituency allowances, multiplied by the number of months of service completed by him during such term.

#### **6. Pensions payable in lieu of gratuities**

(1) In place of the gratuity payable in accordance with the provisions of section 5, a member may opt to receive a pension calculated in accordance with one of the following, provided that, with effect from the 14th November, 1994 he serves not less than 10 years in the National Assembly; or he has, immediately before the date of enactment of this Act, served not less than one term in the National Assembly-

- (a) a member may opt to receive no gratuity in terms of section 5, in which case, from the date of his leaving Parliament, or from the age of 45 years, whichever comes later, he shall be entitled to receive a pension equal to 1/360th of the basic salary, and average of constituency allowances, of such member current at the time the pension is payable, for each completed month of service as such member:

Provided that his maximum entitlement shall not exceed 240/360th of such current basic salary, and average of constituency allowances;

- (b) a member may opt to receive a reduced gratuity of 10% of the aggregate basic salary paid to him, and average of constituency allowances payable to him, during a term of Parliament, in which case, from the date of his leaving Parliament, or from the age of 45 years, whichever comes later, he shall be entitled to receive a pension equal to 1/480th of the basic salary, and average of constituency allowances, of such member current at the time the pension is payable, for each completed month of service as such member:

Provided that his maximum entitlement shall not exceed 240/480th of such current basic salary and average of constituency allowances;

- (c) a member may opt to receive a reduced gratuity of 15% of the aggregate basic salary paid to him, and average of constituency allowances payable to him, during a term of Parliament, in which case, from the date of his leaving Parliament, or from the age of 45 years, whichever comes later, he shall be entitled to receive a pension equal to 1/600th of the basic salary, and average of constituency allowances, of such member current at the time the pension is payable, for each completed month of service as such member:

Provided that his maximum entitlement shall not exceed 240/600th of such current basic salary and average of constituency allowances.

(2) In place of the gratuity payable in accordance with the provisions of section 5, a member may opt to receive a pension calculated in accordance with the following, provided that, with effect from the next Parliamentary term, he serves not less than one term in the National Assembly, and provided further that he contributes 7.5% of his gross salary towards the payment of his gratuity or pension, which 7.5% of gross salary shall be withheld from the said salary and paid into the Consolidated Fund-

- (a) a member may opt to receive no gratuity, in which case, from the date of his leaving Parliament, or from the age of 45 years, whichever comes later, he shall be entitled to receive a pension equal to 1/300th of the basic salary, and average of constituency allowances, of such member current at the time the pension is payable, for each completed month of service as such member:

Provided that his maximum entitlement shall not exceed 240/300th of such current basic salary and average of constituency allowances;

- (b) a member may opt to receive a reduced gratuity of 10% of the aggregate basic salary

paid to him, and average of constituency allowances payable to him, during a term of Parliament, in which case, from the date of his leaving Parliament, or from the age of 45 years, whichever comes later, he shall be entitled to receive a pension equal to 1/400th of the basic salary, and average of constituency allowances, of such member current at the time the pension is payable, for each completed month of service as such member:

Provided that his maximum entitlement shall not exceed 240/400th of such current basic salary and average of constituency allowances;

- (c) a member may opt to receive a reduced gratuity of 15% of the aggregate basic salary paid to him, and average of constituency allowances payable to him, during a term of Parliament, in which case, from the date of his leaving Parliament, or from the age of 45 years, whichever comes later, he shall be entitled to receive a pension equal to 1/500th of the basic salary, and average of constituency allowances, of such member current at the time the pension is payable, for each completed month of service as such member:

Provided that his maximum entitlement shall not exceed 240/500th of such current basic salary and average of constituency allowances.

(3) Notwithstanding the provisions of subsections (1) and (2), a member shall not be entitled to be paid a pension at any time if and when he returns as a member of the National Assembly.

#### **7. Pensions to be index-linked**

(1) Any sums of money paid to a member as pension shall, from the date when such member starts to draw the pension, be index-linked to the current basic salary, and average of constituency allowances, of an ordinary member of the National Assembly.

(2) For the purposes of subsection (1), "ordinary member of the National Assembly" means a member, other than the President, the Speaker, Deputy Speaker, a Minister or an Assistant Minister, who receives the minimum basic salary, and average of constituency allowances, payable to members in accordance with the National Assembly (Salaries and Allowances) Act.

#### **8. Gratuity payable to dependants and estate**

The dependants or the estate of a member who dies whilst in office, or who dies after having left Parliament but before reaching the age of 45, after having served as such a member-

- (a) for an aggregate period of less than 20 years, shall be paid a lump sum gratuity equal to the basic annual salary, and average of constituency allowances, payable to a member at the time of his death;
- (b) for an aggregate period of 20 years or more, shall be paid a lump sum gratuity equal to three years of the pension that the member would have been entitled to receive had he lived and retired as a member at the age of 45 years, with effect from the date when he died.

#### **9. Gratuity payable on death of retired member**

Upon the death of a member who was over the age of 45 years, and who has retired from service in the National Assembly, his dependants or his estate shall be paid a lump sum gratuity calculated as follows-

- (a) where the death occurs within 10 years of the member's retirement, the equivalent of three years' pension at the rate current at the time of his death;
- (b) where the death occurs after 10 years but before 15 years after the member's retirement, the equivalent of two years' pension at the rate current at the time of his death;
- (c) where the death occurs 15 or more years after the member's retirement, the equivalent of one year's pension at the rate current at the time of his death.

#### **10. Pensions not to be assignable**

A pension payable in terms of this Act shall not be capable of being assigned or ceded or otherwise transferred or of being pledged or hypothecated nor shall it be liable to be attached or subjected to any form of execution under a judgment or order of court except for the purpose of satisfying-

- (a) a debt due to the Government of Botswana; or
- (b) an order of any competent court for the payment of periodical sums of money towards the maintenance of the spouse or former spouse or minor child of the member to whom the pension is payable.

#### **11. Insolvency**

Where a member entitled to a pension or other benefit in terms of this Act is adjudicated bankrupt or is declared insolvent by judgment of any competent court, the pension or other benefit, or the value thereof, shall not form part of the assets of the insolvent estate of such member.