MOTION FOR A RESOLUTION OF PARLIAMENT URGING GOVERNMENT TO ALLOW CONTRIBUERS ACCESS TO THEIR SAVINGS IN THE NATIONAL SOCIAL SECURITY FUND IN LIGHT OF THE ECONOMIC DISTRESS CAUSED BY THE COVID-19 PANDEMIC

(Moved under Rule 55 of the Rules of Procedure)

WHEREAS section 2 of the National Social Security Fund Act Cap 222 establishes a National Social Security Fund, into which there is paid all contributions made by members of the Fund and out of which payment is made to eligible beneficiaries;

ANDWHEREAS section 19 of the National Social Security Fund Act limits access to member's contribution in circumstances where the member reaches the prescribed age or is suffering from permanent total incapacity or emigrates permanently from Uganda or upon the death of the contributor, if he or she is a survivor of the deceased person;

AWARE THAT the NSSF has about 1.5 million members who contribute to the fund every month, has an asset base of about 11.3 trillion and receives about 1.028 Trillion as member's contributions annually;

FURTHER AWARE THAT in March 2020, the Government of Uganda announced an outbreak of the viral disease COVID-19 in Uganda and issued guidelines to curb the spread of the disease;

RECOGNISING THAT the Covid-19 guidelines, though necessary, have heavily impacted on industrial production, sales and investments and have resulted in the lay off or non-payment of the emoluments of employees and has generally affected the performance of the economy;
FURTHER RECOGNIZING that the NSSF has recognized the economic distress and hardship faced by businesses and has allowed businesses to suspend Member contributions for the next three months without incurring a penalty;

APPRECIATING THAT although NSSF assisted businesses by suspending contributions, it has not assisted its contributors through allowing them access part of their savings, considering that most of them are facing dire economic strain, are unemployed or are going without emoluments in the near future;

FURTHER APPRECIATING THAT most of the NSSF contributors have no access to alternative source of income, cannot borrow from financial institutions since they don’t have security to guarantee such borrowing and saved with the NSSF, under the reasonable believe that the Fund will act as their social security net during times of uncertain economic environment;

NOW, THEREFORE, be it resolved by this House that Government considers allowing contributors to the NSSF Fund, access some of their savings held in NSSF Fund during the period when Uganda is dealing with the Covid-19 pandemic.

MOVED BY: Hon. Nzoghu William Musabe, MP, Busongora County North, Kasese District;

SECONDED BY:

(1) Hon. Dr. Lyomoki, MP, Workers Representative;

(2) Hon. Nambeshe John Baptist, MP, Manjiya County, Bududa District;