

SOCIAL SECURITY LAW

1991 (PNDCL 247)

Section 1-Establishment of Social Security and National Insurance Trust.

- (1) There is hereby established a body corporate to be called the Social Security and National Insurance Trust (in this Law referred to as "the Trust").
- (2) The Trust shall have perpetual succession and a common seal and may sue and be sued.
- (3) The Trust shall have power for the discharge of any of its functions under this Law to acquire and hold any movable or immovable property, to dispose of such property and to enter into any contract or other transaction.
- (4) Where there is any hindrance to the acquisition by the Trust of any property under subsection (3) of this section, the property may be acquired for the Trust under the State Property and Contracts Act, 1960 (C.A. 6) or as the case may be, under the State Lands Act, 1962 (Act 125), and each such Act shall apply in relation to any acquisition with such modifications as may be necessary to provide for the vesting of the property acquired thereunder in the Trust and for the cost of such acquisition to be defrayed by the Trust.
- (5) The Trust shall operate a Scheme to be called the Social Security Pensions Scheme (hereafter referred to as "the Scheme").
- (6) The Scheme shall have a Fund into which shall be paid all contributions and other moneys, as may be required under this Law.

Section 2-Membership of the Trust.

The Trust shall be made up of—

- (a) the personnel of the Social Security and National Insurance Trust existing immediately before the coming into force of this Law;
- (b) such other public officers that may be transferred or seconded to the Trust; and
- (c) such other persons that may be employed by the Trust.

Section 3-Objects.

The objects of the Trust are—

- (a) to be responsible for the general administration of this Law and any regulations made thereunder;
- (b) to provide social protection for the working population for various contingencies such as old age, invalidity, and such other contingencies as may be specified by law;
- (c) to be responsible for the administration and investment of the Scheme within the framework of general directives issued by the Board referred to in section 4 of this Law;
- (d) to carry out such other activities as may appear to the Trust to be incidental or conducive to the attainment of its objects under this Law.

Section 4-The Board.

- (1) The governing body of the Trust shall be a Board of Directors (hereinafter referred to as "the Board").
- (2) The Board shall consist of the following members appointed by the Council:
 - (a) a Chairman and three other persons;
 - (b) two representatives nominated by Employers' Association;
 - (c) two representatives nominated by the Trades Union Congress;
 - (d) the person appointed Director-General under section 8 of this Law;
 - (e) a representative of the Ministry responsible for Finance;
 - (f) a representative of the Bank of Ghana;
 - (g) a representative of the Ministry responsible for Labour;
 - (h) a representative nominated by the Civil Servants Association, and
 - (i) a representative nominated by the Ghana National Association of Teachers.

Section 5-Tenure of Office.

- (1) The members of the Board other than the Director-General of the Trust shall hold office for a period of three years, and shall be eligible for reappointment.
- (2) Any member of the Board other than the Director-General of the Trust may resign his office by notice in writing addressed to the Secretary responsible for Finance and without

prejudice to the general effect of subsection (1) of this section any member of the Board may be removed from office by the Council.

(3) Where the office of a member of the Board other than the Director-General of the Trust becomes vacant under subsection (2) of this section before the expiration of his term of office under subsection (1) of this section or by his death the Director-General shall notify the Council of the occurrence of such event and the Council shall subject to the provisions of this Law appoint another person in his place to hold office for the unexpired portion of his term of office.

(4) Subject to the provisions of this Law where the Board notifies the Council that any member of the Board other than the Director-General is incapacitated by illness, absence from Ghana or any other sufficient cause from performing the duties of his office the Council shall appoint another person to hold office in his place until such time as the Council is satisfied that the incapacity of that person has terminated or until the term of such member expires, whichever first occurs.

Section 6-Remuneration of Board Members.

The remuneration of the members of the Board shall be determined by the Council on the advice of the Secretary.

Section 7-Meetings of the Board.

(1) The Board shall ordinarily meet for the despatch of business at such times and at such places as the Board may determine but shall meet at least once every month.

(2) A special meeting of the Board shall be called within seven days upon a written request signed by the Chairman or by five members of the Board addressed to the Secretary of the Trust.

(3) At every meeting of the Board at which he is present the Chairman shall preside and in his absence a member of the Board elected by the members from among themselves shall preside.

(4) Questions proposed at a meeting of the Board shall be determined by a simple majority of the members present and voting and in the event of any equality of votes the person presiding shall have a second or casting vote.

(5) The quorum at any meeting shall be seven including either the Chairman or the Director-General.

(6) The Board may, at any time co-opt any person or persons to act as an adviser or advisers at any of its meetings except that no person so co-opted shall be entitled to vote at any such meeting on any matter for decision by the Board.

(7) The validity of any proceedings of the Board shall not be affected by any vacancy among its members or by any defect in the appointment of any of them except that the defect affects the quorum.

(8) Any member of the Board who has any interest in any company or undertaking with which the Trust proposes to make any contract or who has any interest in any contract which the Trust proposes to make shall disclose in writing to the Board the nature of his interest and shall, unless the Board otherwise directs, be disqualified from participating in the deliberations of the Board on the contract and shall in any case be disqualified from voting in any decision of the Board on such contract, and any member who infringes the provisions of this subsection shall be liable to be removed from the Board.

(9) The Board shall cause to be recorded and kept minutes of all proceedings of its meetings.

Section 8-Board to be in Control of General Policy.

(1) The Board shall, subject to the provisions of this Law have general control of the Funds and investments of the Scheme and the management of the Trust on matters of policy.

(2) The Trust shall have a Director-General who shall be appointed by the Council and shall hold office upon such terms and conditions as may be specified in his instrument of appointment.

(3) Where the office of the Director-General becomes vacant the Board shall notify the Secretary.

(4) Where the Director-General is incapacitated from the performance of his functions under this Law the Secretary shall appoint another person to perform these functions for the duration of the incapacity.

(5) Subject to the provisions of this Law, the Director-General shall be the Chief Executive of the Trust and shall, subject to the general control of the Board on matters of policy, be charged with the direction of the day-to-day business of the Trust and of its administration.

(6) Subject to subsection (5) of this section, the Director-General may delegate to any employee of the Trust or to any other person, any of his functions under this Law and may impose such conditions with respect to the exercise of such delegated functions as he may think fit:

Provided that nothing in this subsection shall be construed so as to absolve the Director-General from ultimate responsibility for any act done by any person in pursuance of any such delegation.

Section 9-Execution of Contracts, etc.

(1) The application of the seal of the Trust shall be authenticated by two signatures, namely:

(a) the signature of the Director-General or some other member of the Board authorised by the Board to authenticate the application of the Seal; and

(b) the signature of the Secretary or some other officer of the Trust authorised by the Board to act in the Secretary's place for that purpose.

(2) The Trust may by instrument in writing under its common seal empower any person either generally or in respect of any specified matters as its attorney, to execute deeds on its behalf in or out of Ghana; and every deed signed by such attorney on behalf of the Trust and under his seal, shall be binding on the Trust and have the same effect as if it were under the common seal of the Trust.

(3) Any instrument or contract which, if executed or entered into by a person other than a body corporate, would not require to be under seal, may be executed or entered into on behalf of the Trust by the Director-General or any member of the Board if such person has previously been authorised by resolution of the Board to execute or enter into that particular instrument or contract:

Provided that if the Trust thinks fit, it may by writing under its common seal appoint any person outside Ghana as agent to execute or enter into the instrument or contract and the instrument or contract shall have effect as if it had been duly executed or entered into as prescribed for the purpose of this subsection.

(4) Every document purporting to be an instrument executed or issued by or on behalf of the Trust and to be—

(a) sealed with the common seal of the Trust authenticated in the manner provided by subsection (1) of this section; or

(b) signed by the Director-General or by a member of the Board or other person authorised in accordance with subsection (3) of this section to act for that purpose, shall be deemed to be so executed or issued until the contrary is shown.

(5) The provisions of this section shall have effect subject to the provisions of section 8 of this Law and of section 12 of the Contracts Act, 1960 (Act 25).

Section 10-Staff of the Trust.

(1) The Trust may from time to time engage such employees as may be necessary for the proper and efficient conduct of the business and functions of the Trust.

(2) All appointments to any post of the Trust other than that of the Director-General shall be made by the Board.

(3) Subject to the provisions of sub-section (2), the Board may delegate to the Director-General or to any other officer the power to appoint employees in respect of any post below the rank of a Deputy Manager.

(4) The Trust may engage the services of such consultants and advisers as the Board may upon the recommendation of the Director-General determine.

(5) Except as provided in section 8 of this Law, all other employees, consultants and advisers of the Trust shall be engaged on such terms and conditions as the Board may on the recommendations of the Director-General determine.

Section 11-Secretary of the Trust.

(1) The Trust shall have an officer to be designated as the Secretary of the Trust.

(2) The Secretary shall be the Secretary to the Board and shall, subject to the directions of the Board arrange the business for and be responsible for the recording and keeping of minutes of proceedings of the meetings of the Board.

(3) The Secretary shall perform such functions as the Board may direct or as the Director-General may delegate to him.

Section 12-Internal Auditor.

(1) The Trust shall have an Internal Auditor.

(2) Subject to the provision of this Law the Internal Auditor shall be responsible to the Director-General for the performance of his functions.

(3) As part of his functions under this Law the Internal Auditor shall, at intervals of three months prepare a report, on the internal audit work carried out by him during the period of three months immediately preceding the preparation of the report, and submit the report to the Director-General.

(4) Without prejudice to the general effect of subsection (3) of this section, the Internal Auditor shall make in each report such observations as appear to him necessary as to the conduct of the financial affairs of the Trust during the period to which the report relates.

(5) The Internal Auditor shall send a copy of each report prepared by him under this section to each of the following—

(a) the Secretary;

(b) the Auditor-General, and

(c) the Chairman of the Board of Directors.

Section 13-The Trust to Keep Books of Accounts.

The Trust shall keep proper books of accounts and proper records in relation thereto and such account books and records shall be in such form as the Auditor-General may approve.

Section 14-Financial Year.

The financial year of the Trust shall end on the 31st day of December in each year.

Section 15-Audit.

(1) The books and accounts of the Trust shall each year be audited by the Auditor-General or an Auditor appointed by him.

(2) The Trust shall pay in respect of such audit such fee as the Auditor-General and the Trust may agree or in case of failure to agree, such fee as the Secretary may determine.

(3) It shall be the duty of the Board as soon as possible, upon receiving the audit report under this section to forward a copy of such report to the Secretary.

(4) The Secretary shall as soon as practicable upon the receipt of the said report cause it to be submitted to the Council.

Section 16-Annual Report.

(1) The Board shall as soon as practicable, after the expiration of each financial year, but within six months thereafter submit to the Secretary an annual report dealing generally with the activities and operations of the Trust within that financial year which shall include a copy of the audited accounts of the Trust together with the Auditor-General's report thereon.

(2) The Secretary shall as soon as practicable after receiving the annual report of the Board cause it to be submitted to the Council.

(3) The Board shall also submit to the Secretary such other reports on its affairs as the Secretary may in writing request from time to time.

Section 17-Exemption from Taxes, Etc.

The Trust shall be exempted from corporate tax and such other taxes and duties as the Secretary may in consultation with the Secretary responsible for National Revenue determine.

Section 18-Administrative Expenses.

All expenses relating to the administration of the Scheme shall be a charge on the Fund in accordance with the standard Pension Accounting practice and shall be subject to the approval of the Secretary on the recommendation of the Board from year to year.

Section 19-Members Account.

The Board shall cause to be maintained for each member an account to which shall be credited all contributions.

Section 20-Employers and Workers to Whom this Law Applies.

(1) The Law shall apply to—

- (a) every employer of an establishment and to every worker employed therein;
- (b) every other employer and worker to whom the Social Security Decree, 1972 (N.R.C.D. 127) applied immediately before the commencement of this Law, and
- (c) all self-employed persons, who opt to join the Scheme.

(2) Where a member has ceased to be employed he may continue to pay his monthly contribution at the rate being paid by a self-employed person.

(3) This Law shall not apply to officers and men of the Armed Forces and such other officers as are expressly exempted by Law.

Section 21-Existing Scheme.

(1) The existence of a private or company pension, provident fund, superannuation scheme or gratuity scheme in respect of workers to whom this Law applies shall not exempt the employer of such worker or such workers from the provisions of this Law and such employer shall be responsible for deducting contributions from the remuneration of such workers and paying them along with his own contributions to the Fund at the rates laid down in the provisions of this Law.

(2) Notwithstanding the provisions of any scheme referred to in subsection (1) of this section, the employer concerned may amend the written provisions of the scheme referred to in subsection (1) of this section with the prior approval of its board of Trustees or in the absence of such approval, with the consent of the Board so as to adjust the

benefits provided therein to enable the payment of the contribution payable under this Law.

Section 22-Rate of Contribution.

(1) Every employer of an establishment shall deduct from the pay of every worker in such establishment immediately at the end of the month, a worker's contribution of an amount equal to five per centum of such worker's pay for such period, irrespective of whether or not such pay is actually paid to the worker.

(2) Every employer of an establishment shall pay for each month in respect of each worker, an employer's contribution of an amount equal to twelve and half per centum of such worker's pay during such month.

(3) The contributions referred to in the preceding subsections shall, within fourteen days at the end of each month be remitted to the Trust.

(4) A self-employed person shall contribute seventeen and half per centum of his income for the month from his profession, vocation, business or occupation.

(5) Notwithstanding any agreement or understanding to the contrary, an employer shall not be entitled—

(a) to deduct or otherwise recover his own contribution from the worker's pay; or

(b) to deduct the member's contribution for an earlier contribution period from the pay in respect of a later period:

Provided that the employer shall be entitled to make such deductions—

(a) if his failure to make the deduction was due to a false declaration made in writing by the worker at the time of his employment that he was not already a member of the Scheme, or

(b) if such failure to deduct the contribution was the result of an accidental mistake or a clerical error in which case the deductions shall be made according to the written instructions of a Trust Inspector.

(6) Where an employer deducts contributions from the pay of workers under this Law, the contributions shall be deemed to be held by such employer in trust for the purpose of this Law until they are remitted to the Trust.

Section 23-Penalty for Non-payment of Contribution.

(1) Subject to subsection (2) of this section if any contribution is not paid within the period prescribed under section 22:

(a) a sum equal to three per centum per month of the contribution payable shall be added thereto as a penalty;

(b) the Director-General shall serve a demand note upon the defaulting contributor and if payment of the contribution and penalty is not made within thirty days after the date of the service of such note the Director-General may proceed to collect and recover the contribution and the penalty; and

(c) if any person without reasonable excuse fails to pay the contribution and penalty imposed under paragraph (a) of this subsection, the Director-General may direct that such person shall pay in addition a penalty of a sum equal to three per centum of the total of the outstanding contribution and penalty imposed under that paragraph for every month during which the default continues.

(2) The Director-General may, with the approval of the Board, remit, wholly or partly, the penalty imposed under subsection (1) of this section.

Section 24-Employment by Several Employers.

Where a worker is concurrently employed by more than one employer, each such employer, shall be responsible only for his obligations under this Law.

Section 25-Employer not to Reduce Remuneration.

No employer shall, by reason of his liability for any contribution to the Scheme or for any other charges under this Law or regulations made thereunder reduce, whether directly or indirectly, the pay or other emoluments of any member of the Scheme.

Section 26-Penal Provisions.

(1) Any person who—

(a) with intent to evade payment of any contribution or any other amount due from him knowingly makes any false statement or representation, or produces or furnishes or causes to be produced or furnished any document or information which he knows to be false in a material particular; or

(b) in order to benefit himself or some other person, knowingly makes any false statement or representation or produces or furnishes, or causes to be produced or furnished, any document or information which he knows to be false in a material particular; or

(c) wilfully misrepresents or fails to disclose any material fact, or fails to pay to the Trust within such period as may be prescribed any amount which he is liable to pay under this Law or regulations made thereunder; or

(d) wilfully obstructs or assaults any Inspector, officer or servant of the Trust in the discharge of his duties; or

(e) without reasonable excuse, proof of which shall be on him, fails to comply with any provisions of this Law or regulations made thereunder shall be liable on summary conviction,

(i) in respect of an offence under paragraphs (a), (b) or (c) of this subsection to a fine of a sum equivalent to any amount owed to the Trust or to imprisonment for a term not exceeding five years or both,

(ii) in respect of an offence under paragraphs (d) or (e) of this subsection to a fine not exceeding €500,000.00 or to imprisonment for a term not exceeding five years or both.

(2) Where an employee of the Trust conspires or aids and abets any other person in the commission of any offence specified in subsection (1) of this section, such employee shall, on summary conviction be liable to the same punishment as prescribed under that subsection.

Section 27-Institution of Criminal Proceedings.

(1) Criminal proceedings under this Law may be instituted and conducted by the Attorney-General or any officer of the Trust authorised by him.

(2) The Court, when convicting any person of an offence under this Law may, without prejudice to any civil remedy, order such person to pay to the Trust the amount of any contribution together with any interest or penalty thereon, due from such person to the Trust at the date of conviction and such amount may be recovered in the same manner as a fine and shall be paid to the Trust for the credit, where applicable of the accounts of the members of the Scheme.

Section 28-Offences by Body of Persons.

In the case of any offence under this Law committed by a body of persons—

(a) where the body of persons is a body corporate, other than a partnership every director and officer of that body corporate shall also be deemed to be guilty of that offence; and

(b) where the body of persons is a firm, every partner of that firm shall also be deemed to be guilty of that offence:

Provided that no such person shall be deemed to be guilty of an offence under this Law if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of the offence.

Section 29-Civil Proceedings.

(1) Notwithstanding any other Law, a contribution to the Scheme along with interest or any monetary penalty payable or imposed for failure to pay in time may be recovered by action as a debt owing to the Trust at any time within twelve years from the date when the contribution or such penalty became due.

(2) Action for the recovery of contribution and other penalties under this section may be instituted and conducted by an authorised officer of the Trust.

Section 30-Priority for Payment of Contributions.

Where—

(a) on the application by the Trust any attachment is issued against the property of an employer in execution of a decree against him and any such property is seized or sold or otherwise realised in pursuance of such execution, or

(b) on the application of a secured creditor, the property of an employer is sold,

the proceeds of the sale or other realisation of such property shall not be distributed to any person entitled thereto, until the Court ordering the sale or other realisation has made provision for the payment of any amount due by the employer under this Law before the date of such order.

Section 31-Protection Against Attachment.

Except as hereinafter provided in section 34—

(a) the accumulations to the credit of any member of the Scheme, or contribution in transit to the Scheme or lying with an employer, shall be incapable of being assigned or charged and shall not be liable to attachment under any law or order of any court in respect of any debt or liability by the member, even in the event of his bankruptcy or insolvency;

(b) subject to section 54 (A) of the Income Tax Decree, 1975 (S.M.C.D. 5), any amount actually or potentially standing to a member's credit in the Scheme at the time of his death and payable to his dependants shall before it is paid to the dependants be free from attachment by process of law;

(c) accrued contributions to the Scheme shall be paid notwithstanding the bankruptcy or insolvency of an employer.

Section 32-Exemption from Tax.

[Repealed by Internal Revenue Act, 2000 (Act 592), s. 168 (f)].

Section 33-Protection from Acts Done in Good Faith.

No suit or other legal proceedings shall lie against any member of the Board, any officer or employee of the Trust in respect of anything which is done in good faith in pursuit of the objectives of this Law.

Section 34-Classes of Benefits.

(1) The following benefits shall be payable under this law—

(a) a Superannuation Pension when a member of the Scheme retires or is retired after attaining the pensionable age

Provided that no Superannuation Pension, or benefits shall be paid to any person except on the following conditions:

(i) that he retires on or after attaining the pensionable age of 60 years and he has contributed to the Scheme for not less than twenty years in the aggregate or two hundred and forty months; or

(ii) that he voluntarily retires with a reduced pension on attaining the age of 55 years and has contributed to the Fund for an aggregate period of not less than two hundred and forty months;

(b) a lump sum equal to the member's contribution and interest equivalent to half the prevailing Government treasury rate thereon where such a member had done less than 20 years minimum contribution prior to his retirement either voluntarily or compulsorily;

(c) an Invalidity Pension based on a member's right when a member of the Scheme has contributed for not less than twelve months within the last thirty six months and is certified by a Medical Board to be incapable of any normal gainful employment by virtue of a permanent physical or mental disability:

Provided that where a person is certified by a Medical Board to have fully recovered from any disability and he has not attained the pensionable age under this Law, he may rejoin the Scheme;

(d) a Survivor's Lump Sum Benefit, on the member's death to such members of the family who are dependants and in whose favour a valid nomination exists in the Trust's Office:

Provided that where there is no such nominations or the nomination made is invalid, the lump sum payable shall be distributed to such dependants as may be determined by the Administrator-General;

(e) such other benefits as may be prescribed.

(2) Any person who has worked as an underground mine worker or in steel works or in such hazardous employment as may be specified for an aggregate period of two hundred and forty months or more and has attained the age of 55 years shall be entitled to a retirement benefit.

Section 35-Qualifying Conditions for Pension.

(1) Any person who—

(a) has satisfied the minimum contribution period of not less than two hundred and forty months;

(b) has attained the age of 60 years or 55 years in the case of an underground mine worker or such workers as specified in subsection (2) of this section or has opted for voluntary retirement with reduced pension; and

(c) has filed an application for Superannuation benefit, shall be entitled to a pension payment for each month beginning with the first month in which such person becomes so entitled to such payment.

(2) Any person who has satisfied the minimum contribution period and has worked as an underground mine worker or in a quarry or in steel works or in such other employment and is likely to contract industrial diseases as defined in section 12 (2) of the Factories, Offices and Shops Act, 1971 (Act 328) by virtue of such employment shall be entitled to a pension benefit upon attaining the age of 55 years.

Section 36-Formula for Computation of Pension.

(1) For the purpose of computing pension benefits a member may be paid a full or a reduced pension:

Provided that such a member may exercise the option for a part lump sum payment of twenty-five per centum of his pension and a reduced pension payment.

(2) The minimum pension payment shall be based on fifty per centum of the average annual salary for the three best years of a member during his working life.

(3) Where a member works beyond the minimum contribution period the amount of pension payable shall be increased by one decimal point fifty per centum for each twelve months worked up to a maximum of eighty per centum.

(4) Notwithstanding subsection (2) of this section no pension payment shall exceed eighty per centum of the average of the highest salaries in the top five per centum bracket of contributing members.

(5) Where there are grounds to suspect that the annual salary has been inflated with intent to defraud, the Trust shall have the power to investigate and thereafter the right pension payment shall be made to the member concerned.

Section 37-Formula for Survivor's Benefit.

(1) Where a member dies having satisfied the minimum contribution period a lump sum payment computed on the present value of his pension for a period of twelve years using the prevailing treasury bill rate shall be made to his nominated dependants.

(2) Where a member dies prior to satisfying the minimum contribution period a lump sum equal to the present value of the members proportional pension for a period of twelve years shall be paid to his nominated dependants.

(3) Where a member retires but dies before the age of 72 years, a lump sum payment based on the present value of his unexpired pension up till 72 years shall be made to his nominated dependants.

Section 38-Formula for Invalidity Computation.

Where any member is certified as being invalid in accordance with the provisions of section 34 (c) such a member shall be entitled to the minimum pension or his earned pension whichever is higher.

Section 39-Periodic Review of Pensions.

The Trust shall annually review the pension payment based on adjustment in salaries and wages of members.

Section 40-Nomination of Dependants to Receive Benefits.

(1) Every person who is required or entitled to become a member of the Scheme shall be asked forthwith by his employer to furnish and shall, on such demand, furnish to the employer particulars concerning himself and his dependants for the receipt of benefits on his death.

(2) Such employer shall enter the particulars in the prescribed form and on obtaining thereon the signature and thumb impression of the person concerned, forward it to the Trust.

(3) Every employer shall before taking any person into employment ask him to state in writing whether or not he is a member of the Scheme and, if he is, ask for the account number and the name and particulars of the last establishment, if any, where he was employed and whether he had nominated anyone to receive the benefits as his survivor.

(4) If the person was a member of the Scheme his old account number and the

nomination made by him shall continue to be operative and the Trust's attention shall be drawn to them by the new employer.

(5) If the person was not a member, the employer shall require him to furnish and such person shall, on demand, furnish to the employer for communication to the Trust particulars regarding himself and his dependants and the employer shall enter the particulars in the prescribed form and having obtained thereon both the signature and thumb impression of the person concerned, forward the form to the Trust.

(6) Subject to the provisions of subsection (3) a member of the Scheme shall be free to update his nomination and such revised nomination shall be forwarded to the Trust.

(7) Where payment of benefits has been made to a person validly nominated under this section, no other person shall have any other claim against the Trust.

Section 41-Reciprocal Agreements.

(1) The Government of Ghana may enter into a reciprocal agreement with the Government of any other territory in which a scheme similar to the Scheme has been established and there may be included in the agreement the following provision—

(a) that any period of membership of such scheme in the territory of that Government may be treated as a period of membership of the Scheme and vice versa; and

(b) that, subject to such conditions as may be agreed, any amount standing to the credit of a member of the Scheme in Ghana who works for any employer in the territory of that Government may be transferred to his credit in such Scheme, and vice versa.

(2) Any reciprocal agreement made under this section may modify, adapt or amend the provisions of this Law to give effect to the agreement.

Section 42-Functions of Trust Inspectors.

(1) Any inspector of the Trust appointed under this Law, if he has reasonable cause to believe that there are workers on any premises or place may on production of his certificate of appointment or identity card as an employee, enter at all reasonable times on the premises or place and there make any examination and enquiry necessary to obtain information for the purposes of this Law.

(2) In the performance of his duties under this section, an inspector may require the production of documents relating to appointment, attendances, wages of workers and contributions or liability of employers to contribute to the Scheme for inspection by him on the premises or place and to take copies thereof or extracts therefrom.

(3) Where an establishment has discontinued its work or has been closed down and has no premises, the inspector may require the production of the documents relating to past

transactions at a reasonable place and time, including his own office or the office of any other establishment and the previous employer or any other person having custody of such documents shall produce them as required by the inspector.

(4) Where it becomes necessary for an inspector to visit such premises or place as has been declared by a competent Government authority as a security area or the admission to which is restricted, the inspector shall not enter such premises or area without obtaining prior permission of the officer in charge thereof.

Section 43-Regulations.

The Secretary may by legislative instrument make regulations in respect of all matters for the purpose of carrying out the provisions and principles of this Law.

Section 44-Transitional Provisions.

(1) On the coming into force of this Law the following provisions shall apply for a period of five years—

(a) every person to whom the Social Security Decree (N.R.C.D. 127) applied immediately before the commencement of this Law shall be credited for the number of months he had contributed to the Scheme.

(b) where a person had already collected his interim benefit under the Social Security Decree, 1972 (N.R.C.D. 127) and is still in employment he may exercise an option to repay the amount collected together with interest thereon at the rate of six per centum within six months upon inception of the Scheme and such person shall continue to contribute till he reaches the retiring age and qualifies for pension.

(c) where a person on the coming into operation of the Scheme has attained the maximum age of 57 years and has already collected his final benefits under the previous scheme he may exercise the option to repay the amount collected with interest thereon at the rate of six per centum within a period of six months upon the coming into operation of the Scheme and shall continue to contribute till he reaches the compulsory retiring age;

(d) where a member retires on reaching the age of 55 years upon coming into operation of this Law without satisfying the minimum contribution period he shall be entitled to a reduced pension except that he shall have contributed for a period of not less than fifteen years to the Scheme;

(e) where a member fails to contribute for the minimum period of fifteen years he shall be paid the amount standing to his credit with interest thereon.

Section 45-Interpretation.

In this Law, unless the context otherwise requires—

"contribution period" means where pay is paid to a worker—

- (a) at the intervals of more than a fortnight, the month during which the pay is given;
- (b) at intervals of more than a week but not more than a fortnight, the fortnight ending with the last day of the week in which the pay is given; and
- (c) at intervals of a week or less, the week in which the pay is given;

"Council" means the Provisional National Defence Council;

"dependants" means and includes—

- (a) all members of the family of a member and
- (b) all other persons whom he was by reason of adoption under the Adoption Act, 1962 (Act 104) or otherwise obliged to maintain and who were dependants upon the earnings of the member at the time of his death;

"employer" means—

- (a) the owner of an establishment or the person who, or the authority which, has the ultimate control over the affairs of the establishment, and where such affairs are entrusted to a manager, managing director or managing agent, such manager, director or agent;
- (b) in any other case, the person with whom the worker entered into a contract of service or apprenticeship and who is responsible for the giving of his pay;

"establishment" means any office, shop, factory, mine, plantation, or any other place where persons are employed on pay for work or business of any kind.

"Fund" means the Social Security Fund;

"member" means any person to whose credit there is an amount standing in the Fund or from whose pay a contribution has been deducted for payment into the Fund and whose benefits have not been paid;

"member of the Family" means—

- (a) when used in relation to a citizen of Ghana any one of those persons mentioned in the Schedule according as the family is based on the paternal or the maternal system;
- (b) when used in relation to any person who is not a citizen of Ghana, the wife, husband, father, mother, grandfather, grandmother, stepmother, stepfather, son, daughter,

grandson, grand-daughter, stepson, step-daughter, brother, sister, half-brother or half-sister.

"pay" means all emoluments which are earned by a worker while on duty in accordance with the express or implied terms of the contract of employment or apprenticeship and which are paid or payable in cash to him at fixed or determinable intervals of time—

(a) in respect of normal periods of work to be performed by the worker; or

(b) where payment is calculated in relation to set tasks, in respect of the number of tasks completed by the worker; or

(c) where payment is calculated in relation to the volume of work done, in respect of the volume completed by the worker;

and includes emoluments earned by him on leave, any cost of living for prescribed allowance but does not include any presents made by the employer, value of any food concession house rent allowances, overtime allowance, travelling allowance, bonus, commission, or any other similar allowance payable to the worker;

"Secretary" means the Secretary responsible for Finance and Economic Planning;

"self-employed person" means a person who has no other employer but himself and works on his own account;

"worker" means any person who is employed for pay in any kind of work, manual or otherwise, in or in connection with the work of an establishment and who gets his pay, directly or indirectly, from the employer, and includes any person employed by or through a contractor in or in connection with the normal work of the establishment, and—

(a) is employed in Ghana but not as a member of the crew of any ship; or

(b) being a permanent resident of Ghana, is employed;

(i) as a member of the crew of any ship, the owners of which have an office or agents in Ghana; or

(ii) outside Ghana for an employer in Ghana.

Section 46-Repeals and Savings.

(1) The Social Security Decree, 1972 (N.R.C.D. 127) is hereby repealed.

(2) Notwithstanding the repeal of the Social Security Decree, 1972 (N.R.C.D. 127) the statutory instrument made thereunder and in force immediately before the

commencement of this Law shall with the necessary modifications continue in force until amended or revoked.

(3) For the removal of doubt all assets, rights, obligations and liabilities existing under the Social Security Decree, 1972 as amended and any statutory instrument made thereunder are hereby transferred to the Trust.

SCHEDULE

(Section 45)

Paternal System Maternal System

Mother, Father Mother, Father

Husband Husband

Wife, son, daughter Wife, son, daughter

Brother, sister Brother, sister

Father's father Mother's mother

Father's brother Mother's brother

Mother's sister

Sister's son

Sister's daughter

Mother's sister's son

Mother's sister's daughter

Made this 1st day of January, 1991.