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MEDIA STATEMENT BY THE SOUTH AFRICAN LAW REFORM COMMISSION

CONCERNING ITS INVESTIGATION ON PRESCRIPTION PERIODS (PROJECT

125)

The South African Law Reform Commission (SALRC) hereby releases its discussion

paper on prescription periods (Discussion Paper 126) for general information and

comment.

The discussion paper deals with the problem of having different prescription periods

contained in statutes which create inequalities between people with claims against

public institutions and those against other defendants. The Prescription Act 68 of

1969 (the Prescription Act) provides different periods for different claims save where

an Act of Parliament provides otherwise, the period of prescription of any debt not

listed in section 11(d) of the Prescription Act shall be three years. This on its own

does not create a uniform prescription period for claims.

Most persons who sustain compensable injuries or are otherwise entitled to financial

compensation are either unaware of, or poorly informed about their legal rights and

what they should do in order to enforce those. The normal difficulties of accessing

legal services are exacerbated by gross inequality, high cost of legal services and the

remoteness of the law from most people's lives. Justice is even harder to come by.

Currently there is no condonation in terms of the Prescription Act where there is late

filling of a claim. Claimants with genuine claims may not have the opportunity to

institute their cases even where there is a just cause for failure to institute such claim.

This discussion paper therefore includes proposals for possible law reform to

harmonise the provisions of existing laws providing for different prescription periods.

The legislative proposals can be summarised as follows:

(a) Different prescription periods as provided in section 11 of the Prescription

Act be retained.

(b) That the prescription period set out in section 11(d) of the Prescription Act

be extended from three to five years from the period the creditor has

knowledge of the debt or could have taken necessary steps to acquire such knowledge.

- (c) That the notice requirement of the intention to institute legal proceedings against organs of state before issuing of summons be abolished.
- (d) That courts should be granted the power to condone, on good cause shown, the late institution of a claim, where the debt has prescribed in terms of section 11(d) of the Prescription Act. A court considering whether or not to grant condonation should consider the following factors:
  - (i) the nature of the relief sought;
  - (ii) the extent and cause of the delay;
  - (iii) the effect of the delay on the administration of justice and other litigants;
  - (iv) the prospects of success of the case; and
  - (v) on good cause shown.
- (e) That the prescription period in section 44 of the Compensation for Occupational Injuries and Diseases Act 130 of 1993 be repealed.
- (f) That section 23 of the Road Accident Fund Act 56 of 1996 should be amended and that prescription should start to run from the date on which the accident occurred unless the creditor has knowledge of the facts from which the accident arises: Provided that a creditor shall be deemed to have such knowledge if s/he could have acquired it by reasonable care.
- (g) That damages claims which arises from offences listed in section 18 of the Criminal Procedure Act 51 of 1977 should be suspended until the criminal trial is concluded.

The SALRC invites comments and suggestions on Discussion Paper 126, which should reach the SALRC by 30 September 2011 at the following address:

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Discussion Paper 126 will be made available on the Internet at the following site: <a href="http://www.justice.gov.za/salrc/dpapers.htm">http://www.justice.gov.za/salrc/dpapers.htm</a>.

The discussion paper is also obtainable free of charge from the SALRC upon request (the contact person is Mr Jacob Kabini at (012) 392 9580).

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