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**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO: 1156**

**DATE OF PUBLICATION: 22 April 2016**

**1156. Adv A de W Alberts (FF Plus) to ask the Minister of Public Enterprises:†**

(a) When the changes in the 2%- rule, which limit the annual pension fund increases of the Transport Pension Fund and the Transnet Second Defined Benefit Fund to 2%, will be approved by her and the Minister of Finance, (b) what steps need to be taken in order to implement the changes and (c) what is the nature of the changes in the rule?                                                                 NW1294E

**REPLY:**

1. The matter is still in progress and engagements in respect of the proposed rule amendments are currently underway. The process will be finalised as soon as consultation between the relevant parties have been completed.
2. Once the issues surrounding the proposed amendments have been resolved and the rule amendments are approved by me, with the concurrence of the Minister of Finance, they can be immediately implemented by the Transport Pension Fund: Transnet Sub Fund and the Transnet Second Defined Benefit Fund in line with their governance processes.
3. In terms of the proposed amendment to the Special Rules of the Transport Pension Fund: Transnet Sub Fund and the Rules of the Transnet Second Defined Benefit Fund provision will be made for the granting of additional pension increases (over and above the statutory 2%) from time to time, subject to affordability, certification by the relevant Fund’s actuary and approval by the Employer.