##



**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION NO: 1157**

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**1157. Adv A de W Alberts (FF Plus) to ask the Minister of Public Enterprises:**

(1) (a) How many trustees of the Transport Pension Fund and the Transnet Second Defined Benefit Fund respectively are required to be present in order to form a quorum and (b) whether a requirement exists that any of the elected pensioner-trustees also need to be present in order to constitute a quorum; if so,

(2) whether (a) a decision was taken recently by the board not to pay a bonus to pensioners in April and (b) any of the elected pensioner-trustees was present at the meeting where the specified decision was taken; if not, (i) why decisions can be taken when the elected pensioner-trustees are not present and (ii) how this agrees with the principles of transparency, representivity and democracy in the two specified pension funds;

(3) (a) what is the reason for the decision not to pay bonuses in April and (b) when will the bonuses actually be paid;

(4) (a) what are the names of such pensioner-trustees and (b) did each of the persons vote in favour of or against the decision;

(5) with reference to her reply to question 732 on 11 April 2016, what is the official current surplus in each fund?                                           NW1295E

**REPLY**

1. (a) The Rules of the Transport Pension Fund and the Transnet Second Defined Benefit Fund provide that the majority of the Trustees be present to form a quorum.

(1) (b) There is no further requirement for the constitution of a quorum other than the majority of Trustees be present.

1. (a) No decision was taken not to pay a bonus in April. A proposal was prepared for approval by the Boards of Trustees, however, the pensioner trustees did not approve the resolution and queried the proposed bonus. This required additional calculations and reports to be prepared by the actuary, as well as a further resolution for approval, which delayed the submission of a proposed bonus for approval to the Transnet Board of Directors.

(b) As no such decision was taken, the question is not applicable.

(3) (a) As no such decision was taken, the question is not applicable.

 (b) The ad hoc bonuses proposed by the Board of Trustees of the Transport Pension Fund: Transnet Sub Fund and the Transnet Second Defined Benefit Fund may be paid after the necessary governance process has concluded, with the final approval by the Transnet Board of Directors.

(4) (a) As no such decision was taken, the question is not applicable.

 (b) As no such decision was taken, the question is not applicable.

(5) The Transport Pension Fund surplus per the latest actuarial valuation report as at 31 March 2015 was R3 644 million. The Transnet Second Defined Benefit Fund surplus per the latest actuarial valuation report as at 31 March 2015 was R3 145 million.