

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 3410**

**DATE OF PUBLICATION: 11 September 2015**

**3410. Adv A de W Alberts (FF Plus) to ask the Minister of Public Enterprises:**

1. Whether, since her reply to question 483 on 4 May 2015 and question 3010 on 1 September 2015, in the light of the poverty of the pensioners of the Transport Pension Fund and the Transnet Second Defined Benefit Fund, she will consider to expeditiously finalise the adjustment of the 2% rule for the specified pensioners and to urgently investigate the financial status of the specified pension funds in order to give these pensioners an inflation-linked increase at the beginning of 2016 that will be higher than the maximum increase of 2%; if not, why not; if so, what are the relevant details;
2. whether she will consider submitting an application for National Treasury to make a direct payment to these pensioners in order to bring financial relief; if not, why not; if so, what are the relevant details;

(3) whether, in the light of the financial situation of the pensioners, she will consider implementing on an annual basis the parliamentary finding on 1 November 2010 (details furnished) and recommendation regarding a financial injection, further bonuses and inflation-linked increases; if not, why not; if so, what are the relevant details??       NW4070E

**Reply:**

1. As per the response provided to PQ 483, along with the Minister of Finance, I am currently considering the proposal to adjust the pension fund rules to amend the 2% rule and will provide a response in due course.
2. The rules of the fund stipulate that only when the fund is unable to meet its financial obligations, will there be a requirement for Transnet to inject money into the fund. Should Transnet not be in a position to inject the required funds in order for the Pension fund to meet its financial obligations, then the state will be required to inject funds directly into the fund. At this stage, the fund is able to meet its financial obligations and accordingly there is no legal obligation in terms of the Legal Succession to the South African Transport Services Act of 1989, for either Transnet and/or the State to make a direct payment to the Pension Funds.
3. Transnet has complied with the recommendations of the Portfolio Committee in as far as the payment of bonuses to the pensioners are concerned. Since 2010, Transnet has to date paid over R2.2 billion in ad hoc bonuses to the pensioners belonging to the TPF and TSDBF. With regard to the recommendation relating to financial injection and inflation-linked increases, please refer to paragraphs 1 and 2 of this response.