

Association for Monitoring and
Advocacy of Government Pensions

(AMAGP)

NPO Registration No: 198-822



The Association for Monitoring and Advocacy of Government Pensions: A volunteer independent group of pensioners and civil servants concerned about the long term viability of the GEPF and sustainability of its return on investments.

www.AMAGP.co.za

 [GEPF Watchdog - Waghond](#)



NEWSLETTER NO 6 of 2021

AMAGP – Association for Monitoring and Advocacy of Government Pensions

BOT – Board of Trustees [of the GEPF]

FSCA – Financial Sector Conduct Authority [previously the FSB]

GEPF - Government Employees' Pension Fund

PIC – Public Investment Corporation

PSA – Public Servants' Association

ROI – return on investment

SCOF – Standing Committee on Finance

SCOPA - Standing Committee on Public Accounts

SOE – state owned entities

The Government Employees Pension Fund (GEPF) is Africa's largest pension fund. We have more than 1,2 million active members, around 406 395 pensioners and beneficiaries, and assets worth more than R1,6 trillion. <https://www.GEPF.gov.za/>

**IMPORTANT NOTICE. PLEASE READ
OR READ AGAIN IF YOU HAVE ALREADY**

Please take a while again to really consider what the all-volunteer AMAGP is all about and is actually and continuously achieving. We need you to inform and motivate all the Fund members you know to join the AMAGP, to strengthen our voice when promoting the sustainability of your pension. We need many many more AMAGP members, not just on the Facebook page. Keep in mind the Fund has about 1 600 000 members, of which about 400 000 are pensioners and the other about 1 200 000 are still working and contributing members. No, AMAGP isn't a trade union and has no membership fees: read the very first sentence at the top of this page please.

The Editor's Word

The Rand exchange rate has improved substantially. It is double sided: on the one hand it makes imports cheaper as we can buy more for our Rand, on the other hand it makes our exports more expensive. The 'government' can pay off its international lending quicker and cheaper. Let's hope the improvement continues.

A Network 24 news item the PIC is selling 70% of GEPF invested malls and other shopping centres to an overseas company, to re-invest the capital in other portfolios. Selling and buying real estate, stocks and bonds is normal in investment management. However, would it be amiss of me to speculate which real estate, the price, and why? What are the proceeds going to be invested in? Which cadres will be enjoying the fruits of the proceeds and re-investment? And I seriously doubt the profits and losses be made visible.

It seems Heineken, the Dutch brewer, intends to buy a majority share of Distell. I can't find Distell as one of the Fund's investments, but the PIC and Remgro evidently control 75% of Distell's shares. Hmmm.

ABSA is in talks with SANLAM and African Rainbow Capital to dispose of its asset management business. The Fund has billions invested in ABSA in various forms. ABSA shares might react favourably to this sale.

In this newsletter and previous ones, there is mention of how news is manipulated by the media owner. cursory reading of various daily newspaper front pages will astound you about how they differ on what is news. Just because it is in the media doesn't mean that it is real, correct, factual or true. Be aware and think for yourself.

Now about the contents below.

We start with the AMAGP Chairman's report for year ending March 2021.

Followed by an AMAGP reminder about the PIC's quiet litigation to recover funds from AYO and Sekunjalo. So quiet that there is no information about it.

Our perennial debtor Survé retaliates by publishing a diversionary article in his media, whining about how the PIC should be about "socioeconomic transformation and inclusivity" instead of its mandate of ROI.

We have two articles about the proposed pension amendment bill, casting doom and gloom on the possible negative impact it might have. Yes and no; you decide if you want the option to use your pension savings to alleviate your immediate financial challenges.

Some of the PIC staff have concerns about client investment mandates expiring, meaning some of their reason for existence might fall away. It leaves the impression the PIC staff are focusing on what they are supposed and expected to be doing.

Then two articles about Survé's companies, one from Survé protesting AYO/Sekunjalo innocence and the other about the ongoing litigation to recover our funds from them.

A short one about Lancaster 101 and Steinhoff, reminding us of a major impairment in our funds, still not finalised as litigation has yet to reach the courts.

We all know Eskom has huge debt, read the article about the investigation at Kusile into fraud and corruption and how many millions were rerouted and billions miss approved. I trust this is only the start of corrective action in this and many similar Eskom cases.

To continue the Sekunjalo saga, Ed Herbst explains the anti-white campaign Survé is waging in his news services, in the article about 'media and ethnic division'.

To end off, Alan Greenblo entertains us with the ANC's lack of care about its employees by not paying their PAYE to SARS and not transferring their provident fund contributions to the provident fund, about R220mn recently.

**NEWS NUUS NEWS
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AMAGP Voorsitter Jaarverslag 2021: Maart 2021

Nog 'n jaar is verby en watter jaar was dit nie. Covid 19 is nou 'n jaar met die wêreld en SA en met verreikende implikasies. Die uitwerking op gesondheid en die psige daarvan, sosio-maatskaplike uitdagings, krimpande ekonomieë met verhoogde skuldvas, dalende produktiwiteit en verhoogde politisering met klem op sentralisering van mag en staatsbesit is nog nie finaal sigbaar nie. Suid-Afrika is midde in die pandemie en die uitdagings is enorm. Dit hou enorme bedreigings in vir elke burger en miskien nog meer vir die beperkte aantal belastingbetalers.

Dit mag dalk nie so duidelik blyk nie, maar die Fonds word direk en indirek bedreig deur die volgende:

- a. Inkrimping van die belastinginkomste terwyl belasting verhoog word.
- b. Die uiters hoë staatskuldas veroorsaak deur 'n korrupte en swak bestuurde 'regering'.
- c. Dalende ekonomiese groei oor die afgelope vyf en meer jare.
- d. Snel groeiende buitelandse skuldvas en gepaardgaande verlaging in investeringswaarde van die 'regering'.
- e. Beleggings deur die OBK namens die Fonds in onoordeelkundige swak-, laag- en geenpresterende instansies.
- f. 'Regering' inisiatiewe om mag te sentraliseer by die regerende party, deur beplanning vir 'n ongevraagde staatsbank, vervreemding van eiendom sonder vergoeding, investering in voorgeskrewe bates, doelbewuste voortgesette finansiële ondersteuning van bankrot wanbestuurde SBI soos die SAL, Landbank, ea.
- g. Gebrek aan vervolging van die verantwoordelike persone, gewoonlik politieke figure.
- h. Minagting van die gereg deur die 'regering'.
- i. Kaderontplooiing in regeringsposte sonder gepaardgaande bekwaamheid, gewoonlik ten doel om die kader 'n inkomste, dikwels sonder teenprestasie, te verskaf.

Om dit eenvouding te stel, die 'regering' het ons belastinggeld die afgelope dekade verspil, wangebruik, verkeerd gebruik, verkwis.

Die bedreigings hierbo is inderdaad daar, met die Fonds as die antwoord om geld te verskaf

om die 'regering' se doelwitte te bereik in die huidige benarde finansiële situasie wat die 'regering' veroorsaak het. Desnieteenstaande dat dit die lede van die Fonds se spaargeld vir aftrede is wat moet instaan vir korrupsie en wanbestuur op die hoogste vlakke, soos die Mpati- en Zondokommissies uitwys.

Die meeste van die Fonds se fondse, ons spaargeld, is opgesluit in aandele in 'n swetterjoel maatskappye, hoofsaaklik in Suid-Afrika. Die ekonomiese en finansiële vooruitgang van die land het dan uiteraard 'n voortdurende invloed op die winsgewendheid van die Fonds se beleggings, wat deur die uiters duur OBK hanteer word. Die omvang van die Fonds se beleggings deur die OBK, is duidelik sigbaar in die Fonds en OBK se jaarverslae en toon 'n versnellende dalende inkomste oor die afgelope 20 jaar.

In die afgelope jaar het AMAGP se bestuur, met die ondersteuning van 'n paar kundige en bereidwillige mense, verskeie aksies geneem in die ondersteuning van regmatigheid en volhoubaarheid van die GEPF fonds. Dit het ingesluit getuienis by die Mpati Kommissie, persverklarings, werwing van lede of kommunikasie deur middel van verskeie mediums, insameling van fondse, rekordering van dokumente en algemene administrasie.

Daar was ook persoonlike skakeling met gesaghebbende instansies waarvan 'n persoonlike ontmoeting met die GEPF se hoof uitvoerende beampte (HUB) die belangrikste was. Alhoewel hierdie 'n meer verkennende ontmoeting was, was die ys gebreek en die deur oopgemaak vir verdere skakeling en onderhandeling. 'n Onderneming is gegee dat daar op 'n 6-maandelikse basis 'n vergadering tussen AMAGP en GEPF gereël sal word.

Alhoewel dit nie my intensie is om al die werk wat gedoen is hier te herhaal nie, is dit nodig om 'n paar aspekte uit te lig, sonder benadeling van enige persoon.

As deel van die strategie is besluit om AMAGP te bemark deur die media, gesaghebbende instansies en persone. Die taak is met groot sukses uitgevoer en verskeie media is benut. Groot waarde is toegevoeg in die sigbaarmaking en sensitering oor die bestuur en aanwending van GEPF Fondse. AMAGP word al meer gereken en erken om substatiwewerke te sienings te

huldig. Adamus Stemmet en sy span het verreikende persverklarings uitgereik. In die 40 mediaverklarings die afgelope jaar is bepaalde aspekte angeraak, oa:

- a. Situasië met GEPF. Die rooskleurige bekendstelling deur GEPF van die stand van Fondse in Jaarverslae, nuusbriewe en aanbiedinge aan SKOF was bevreemte deurdat die likiditeit van die Fonds bevreemte is. Voorts is aspekte soos die buitensporige hoë koste van beleggings en salarisse, met inbegrip van verhogings asook die dalende vlak van reserwes, uitgewys.
- b. Die nalaat om negatiewe aspekte soos laai betalings aan lede, die verhoging van onopgeëide voordele, die nie-aanstelling van die Ombudsman word nie tydens aanbidding aan SKOF uitgewys nie. Lesers is hieroor gesensiteer.
- c. Aanslag teen die Pensioenfonds. Die volgehoue druk om die Fonds aan te wend om Staatsbeheerde Instellings (SBI) te red is verskeie kere uitgelig en is die wanopvatting, dat die Fonds 'n pot goud is, in perspektief gestel. Die persepsie dat die Fonds aan die Staat behoort is ook reg gestel. Spesifiek is groot teenkantië teen die verdere beleggings in onder andere ESKOM en SAL gemaak. Ongelukkig is die bedreiging om die Fonds as reddingsboei aan te wend 'n ewigdurende uitdaging, veral in 'n omgewing met vele wanopvattinge en 'n sosialistiese kultuur.
- d. Openbare Beskermer. Die Openbare Beskermer se verslag oor AMAGP se bekommernisse was nie bevredigend nie en 'n media verslag is uitgereik.
- e. Risikos soos die Landbank en African Bank is aangespreek.
- f. AMAGP se persverklarings word al hoe meer in naam erken en gepubliseer en in verskeie gevalle sonder enige wysiging.

Dankie Adamus en ondersteunende span wat deurentyd en intyds groot waarde tot die belang van AMAGP en ons pensioen toegevoeg het.

Albert van Driel het ten spyte van sy reuse taak as ondervoorsitter verskeie navorsingstake verrig en inisiatief geneem met verskillende skrywes om AMAGP se saak te bevorder en te ondersteun. Alhoewel

hierdie nie 'n omvattende lys is nie, wil ek graag n paar aspekte uitlig:

Na die teleurstellende OB ondersoek na GEPF waar Mpati bevindinge nie in berekening gebring is nie, is 'n brief aan die DA gerig.

Aktiewe monitering van die OBK se implimentering van die Mpati verslag se aanbevelings sedert Aug 2020.

Die Mpati verslag en die belangrikheid daarvan ook vir AMAGP moet nie onderskat word nie.

Samesprekings met die Pensioen Beskermer oor moontlike toekomstige samewerking

Samesprekings met Nasionale Wetstoepassing agentskappe oor verdere getuënis tov Harith (Lebashe).

Deurlopende handhawing van goeie verhoudings met samewerkende instansies.

Albert, baie dankie vir jou steun en die volgehoue harde werk in belang van AMAGP. Dit word waardeer.

Die omvang van AMAGP se werk het drasties toegeneem en harde werk is nodig om die bestuur en administrasie te handhaaf. Hennie Roux het hard gewerk om die liaseerstelsel in plek te kry om die organisasie te steun en te beman. Ongelukkig het hy saam met 'n beperkte aantal lede die taak verrig en was dit deurlopend 'n stryd om vrywilligers te kry om die voorgestelde organisasiestruktuur te beman. Die enkele addisionele mannekrag het regtig 'n groot verskil gemaak en gehelp om die las te verlig. Dankie daarvoor.

Die meeste dokumente is geliaseer op Google Docs deur Hennie en David Blyth. David en sy klein span deel hulle professionele kennis op vele terreine, hetsy die formalisering van die Strategiese Plan, of die hulp met rekenaar sagteware om ons werk makliker te maak.

Dit sal waardeer word as vrywillige lede AMAGP Bestuur kan help om veral kritiese poste te beman om die daaglikse verantwoordelikhede en momentum vol te hou.

Die professionele werk van Christo van Dyk met die ontleding en sigbaarmaking van Jaarverslae en finansiële aspekte het groot geloofwaardigheid gegee en baie aspekte in perspektief gestel. Dit is deur baie instansies as objektief en insiggewend ervaar en gebruik. Die werk is ondersteun deur TV onderhoude, skakeling met politieke persone en ander instansies en sosiale media.

As Kleynhans en Herman Hanekom het reuse werk gedoen om daagliks die sosiale media te bedryf en om lede te werf, welkom te heet en op rekord te plaas. Hierdie taak is so omvangryk en tydensintensief dat mens nie regtig beseft hoe baie dit verg nie. AMAGP bedryf twee Facebook groepe, naamlik GEPF Watchdog (gebeure rondom die pensioenfondse) en GEPF Forum (administratiewe probleme). Die sukses van die strategie en die harde werk wat ingesit is het daartoe gelei dat ons ledetal gegroei het tot 7 000 lede en die Facebook lede tot 50 000 - 'n fenomenale groei. Die trefwydte van die sosiale media en sigbaarmaking van AMAGP het daarmee aansienlik gegroei. Sedert die toetrede van Fanie Versfeld en Petro Carstens (vrywillige lede) as epos verspreiders, kry al ons lede nou gereeld ons nuusbriewe, vrystellings en ander relevante informasie.

Ek wil ook graag vir Daan Kemp bedank vir die maandelikse Joernaal wat pligsgetrou verskyn. Nog meer noemenswaardig is dat Daan nie 'n lid van GEPF is nie, maar dit vrywillig doen.

Dankie aan almal wat so hard werk om ons saak te bevorder.

Op die finansiële kant lyk dit beter, maar in die konteks van die werk en verwagtinge is die banksaldo van R163 271 ongelukkig gering. Dankie aan almal wat geskenk het. AMAGP het onlangs by BackaBuddy geregistreer, danksy André Blignaut se toewyding. Ongelukkig was die resultate nie wat verwag is nie. Ons is reeds meer as 'n jaar besig met die Ontvanger van Inkomste om vrywaring te kry dat groot bedrae wat geskenk word van belasting afgetrek kan word. Na 'n detail motivering en vele persoonlike skakeling is die aansoek nog nie suksesvol nie. Die proses word nog verder opgevolg.

Op die stadium het AMAGP aansienlik meer fondse nodig om 'n permanente kantoor vir administrasie te befonds, asook om fondse bymekaar te maak vir sake soos litigasie, indien nodig. Dankie Jan Augystyn vir die finansiële take en state.

Op die strategiese kant is dit duidelik dat die hersiening van die mandaat aan die OBK 'n prioriteit is. Tweedens moet die wetlike verdeling van verantwoordelikheid tussen eienaar en prinsipaal gehandhaaf word. Dit beklemtoon die fudisiëre verantwoordelikheid van die RvT van die GEPF wat verantwoordelik en aanspreeklik is om te verseker dat GEPF fondse deurgaans tot voordeel van die lede belê moet word. Die huidige moniteringsfunksie moet opgeskerp word om te verseker dat die OBK sy mandaat as prinsipaal uitvoer en nie die persepsie skep dat die OBK die eienaar van die GEPF fondse is nie. Hierdie verantwoordelikheid en skeiding van verantwoordelikheid en pligte is nie onderhandelbaar nie.

AMAGP beywer homself steeds om te verseker dat GEPF lede hulle regmatige pensioen moet ontvang en dat die fondse vir volhoubaarheid belê word. In die uitvoering hiervan sal bepaalde fokusareas aandag geniet:

- a. Die beleggings by SBI.
- b. Verliesmakende beleggings.
- c. Besluitnemers moet teregstaan vir onverantwoordelike besluite.
- d. Uitvoer van forensiese ondersoeke mbt sensitiewe sake/beleggings.
- e. Afbreek van geheimhouding.
- f. Werwing van lede.
- g. Verhoging van aktiewe lede en medewerkers.
- h. Insameling van fondse.

ANTONIE VISSER
VOORSITTER: AMAGP

Synopsis

Statement R 8/21
ISSUED ON BEHALF OF THE
ASSOCIATION FOR THE MONITORING
AND ADVOCACY OF GOVERNMENT
PENSIONS (AMAGP)

4 May 2021

Have the PIC and GEPF abandoned litigation against Sekunjalo Independent Media and AYO?

The PIC appeared before the Parliament's SCOF on 2 December 2020 and gave an express undertaking to implement the recommendations of the Mpati Commission, which had delivered a damning report on the conduct of Iqbal Survé and Daniel Matjila. Not much has been heard in this regard since then.

The collaboration between Survé and Matjila has left the GEPF facing the almost certain loss of more than R6bn through the PIC's investments in Sekunjalo Independent Media and AYO Technology Solutions.

Since then, the tactics of delay and prevarication have become increasingly obvious.

More than two years ago, in November 2018, Finance Minister Tito Mboweni, in response to a question in parliament from the Democratic Alliance, revealed that Iqbal Survé had not repaid the due amount on a loan of more than half a billion rand made by the PIC in 2013 to buy the Independent Media newspapers. With accrued interest, the amount owed on that loan now exceeds a billion rand.

On 17 February 2019, three months after this acknowledgment by Mboweni, a Sunday Times headline read 'How Iqbal Survé splurged R140m on luxury apartments while PIC wrote off R1bn loan'. Since then that process has probably accelerated.

Five months after Mboweni's announcement – on 3 April 2019 - Iqbal Survé, to the dismay and anger of almost two million government employees and GEPF pensioners, acknowledged to the Mpati Commission that he was still making no effort to repay the due amount on the PIC loan but was nevertheless servicing the loans of his Chinese funders.

There was no response from the PIC to this disturbing under-oath manifestation of Survé's contempt for the wellbeing of the country's government workers.

Two years ago, on 29 May 2019, the PIC lodged summons in the Cape High Court to recoup the R4,3 billion invested in AYO Technology Solutions. The shares for which Daniel Matjila had seen fit to pay R43 each are now trading on the Johannesburg Stock Exchange (JSE) for less than R10 each, which means that the state's employees and pensioners will never see a return on what could perhaps be justifiably described as 'Matjila's folly'.

Then, in October 2019, the chairman of the PIC, Dr Reuel Khoza, stated that, in order to safeguard government pensions, it would be necessary to liquidate Sekunjalo Independent Media. A month later the state asset manager applied to the Cape High Court to liquidate Sekunjalo Independent Media, saying that it was technically insolvent and unable to meet its financial obligations.

Since then, nothing further has been heard about these two court cases and when court dates were sought by the Democratic Alliance and journalists, the PIC refused to supply the information. We again ask WHY?

AMAGP in its Statement No 7/21 referred to the secrecy prevailing about the Independent Media and AYO matters and almost begged the concerned authorities to provide clarity about the litigation that had been initiated. Let us again name those authorities: The government, the PIC and the Board of Trustees of the GEPF. We went so far as suggesting that things were being swept under the carpet. As usual the reaction was an alarming silence which tends to confirm our worst fears.

AYO Technologies Solutions (AYO) has not been as secretive about its deal with the PIC. In a statement by them on 30 April 2021 we find the following interesting information:

'AYO further said it was in the process of appointing an independent legal expert, to review the report of the Mpati Commission of Inquiry, to assess the findings in relation to AYO and where necessary make recommendations to AYO. (WHY?)

'Such appointee will be a retired judge and/or retired senior advocate, that has no current or previous links with AYO, has not been employed by AYO, nor has any other

direct or indirect connection to AYO. AYO and its Board will extend the appointed legal expert full access to all AYO documentation leading up to the investment by the Public Investment Corporation (PIC) including all emails, correspondence, Board meetings minutes, and any other relevant records.'

So, AYO is appointing a commission of inquiry - terms of reference included - to investigate AYO, which will report to AYO.

Quis custodiet ipsos custodes?

Furthermore:

'The company said it would also escalate the mediation process with the PIC to reach an amicable solution and develop a positive investor-investee relationship with the asset manager.'

'AYO has already engaged in a mediation process with the PIC as AYO is of the view that a protracted legal dispute is not in the interest of the PIC, AYO or its employees. Management will endeavour to accelerate this engagement in an effort to reach a speedy and amicable resolution.'

'Already engaged in a mediation process?' Thank you AYO for letting workers and pensioners know what is happening with their money!

Is the cat now out of the bag? Is this why we hear nothing about progress in the courts?

Adamus P Stemmet Spokesman AMAGP

Comment

This AMAGP media statement was carried verbatim by PoliticsWeb on 4 May.

The appointee to review the Mpati Commission's report will be paid with the GEPF money the PIC provided to AYO!

[Quis custodiet ipsos custodes? - who guards the guards?]

Synopsis

An awakened PIC would return to its activist ways and banish Irish coffees

The giant should use its capacity to push for a progressive and transformative agenda

BusinessDay
5 May 2021
Kganki Matabane

Once upon a time there was a powerful, influential institutional investor and asset manager that used to be a catalyst for socioeconomic transformation and inclusivity. The PIC remains Africa's largest asset manager. It also holds significant shareholding in almost all the companies listed on the JSE.

I referred to the PIC in the introduction in the past tense as it used to attend the AGMs of investee companies and take to task those who were reluctant to implement economic transformation. It used to make CEO and chairmen (yes, mostly white men then) of untransformed companies sit up and take notice. These days AGMs are like tea parties.

The PIC deliberately used the financial muscle it possesses through the GEPF's multibillion-rand investments in listed private sector companies to good use by, for example, taking on major companies for not appointing enough black people to their boards as nonexecutive directors.

The then transformational PIC took on giants such as Barloworld (and won) for not having a single black executive director. That storm led to the downfall of then Barloworld chair Warren Clewlow. It was also the PIC that raised the issue of Barloworld patronising its black executives when it appointed a black and competent advocate, Dumisa Ntsebeza, as chair and then selected a white man, Trevor Munday, as deputy chair — a position the company had not had for a decade — to babysit the respected advocate.

As far back as 2004, the PIC used to nominate competent black and female directors to boards where it had invested, to ensure diversity. A case in point was when it nominated the highly experienced and highly regarded Imogen Mkhize to the board of petrochemical group Sasol, and took exception when she was not appointed. Sasol, kicking and screaming, subsequently appointed her to the board in 2005. This was the activist PIC that understood its inherent

power as well as its transformational mandate and used these to advance the interests of the country.

I write this fully cognisant that the PIC has gone through its own challenges in the recent past and is in a rebuilding phase. How I wish and hope that the current PIC, as it is being rebuilt and repurposed, will be resurrected to use its huge muscle to take on and forcefully persuade non-transforming companies to appoint black men and women to executive committees and operational roles. I emphasise executive committees because that is where operational corporate decisions are taken. Those occupying these positions are the ones who implement preferential procurement and other progressive policies that benefit blacks, women and people with disabilities.

The PIC should not keep quiet and bury its head in the sand when competent black CEOs such as Basani Maluleke and Daniel Mminele are unceremoniously removed — according to the grapevine — to placate their white subordinates. The PIC of the past would have made the life of these boards of directors so uncomfortable that they would have accepted their errors by opting to or being made to resign.

As we celebrate 27 years in a negotiated-settlement democracy (not freedom), can we be blessed with an awakened giant, a PIC that holds investee companies to account? A PIC that could, 27 years later, be proud to say that in all of the JSE-listed companies where it has invested the companies are not “Irish coffees”, broad-based black economic empowerment (BBBEE) level 1 with the majority of black employees at the bottom (as is currently happening), but companies that look like SA, having implemented the spirit of our socioeconomic empowerment laws instead of ticking boxes just to obtain BBBEE points.

Matabane is CEO of the Black Business Council.

Comment

The race card is clear in this article, clearly showing the bias of the author, making the contents suspect and the vague statements doubtful.

The author evidently doesn't [or doesn't want to] realise the PIC must invest funds for the best possible ROI and not play politics. It is always easy to play the race card if you don't get the instant gratification you want...

It is unclear what role the PIC evidently played in “socioeconomic transformation and inclusivity” without it ever being part of its mandate.

Synopsis

Pension changes for South Africa under the spotlight

Businesstech

Staff Writer

4 May 2021



Parliament's SCOF has invited interested parties to submit written submissions on the Pensions Funds Amendment Bill.

Introduced by the opposition Democratic Alliance, the bill aims to amend the Pension Funds Act to allow pension fund members to access a portion of their fund before retirement as a guarantee for a loan. The DA has described the draft bill as crucial in the fight for ‘people power over state power’ in South Africa.

“Individuals should be free to choose, in unison with the trustees of their pension funds, how their own financial assets are utilised when it comes to providing collateral for responsible loans,” it said in an explanatory statement.

“It is important to note, however, that this bill entails no prescribed asset function. Instead, it entails giving individuals the freedom to choose for themselves by alleviating state interference on their lives.”

How it would work

The bill would amend the current Pension Funds Act to allow pension fund members to obtain a loan, secured by a guarantee from a registered pension fund, to alleviate financial pressure during an emergency.

In this case, the bill makes direct reference to the Covid-19 emergency or any other emergency similar to Covid-19.

By enabling a member to access a pension-backed loan, that member will be able to leverage their pension fund investment prior to their retirement date, without eroding their provision for eventual retirement.

Lending institutions will be enabled to offer loans to pension fund members at competitive interest rates and over extended or deferred payment periods given that the loan is fully guaranteed.

Presenting on the bill in parliament in March, the DA's Dr Dion George said that the Covid-19 pandemic highlighted long outstanding issues, including the role of pension funds in the financial life of individual members.

It added that compulsory saving to pension funds crowding out shorter-term saving. He added that the mass conversion of pension funding arrangements from defined benefits to defined contributions began in the 1980's, resulting in investment risk passed from employers to members.

Comment

Take note of this bill. It won't apply to the GEPF as it falls under the Pension Fund Act, but the BOT might decide to apply it voluntarily if it becomes law.

Synopsis

Proposed pension changes could make it virtually impossible to retire comfortably in South Africa: CEO

Businesstech
Staff Writer
11 May 2021

The Pensions Funds Amendment Bill
currently being considered in

parliament could cause significant damage to the retirement industry, says Glenn Gamsy, chief executive of GIB Financial Services, a financial advisory consultancy and retirement fund administrator.

The bill proposed by the DA will allow retirement fund members to access a portion of their retirement savings in cash before retirement as a guarantee for a loan. The DA has proposed that the law be amended to allow retirement fund members to access up to 75% of their retirement savings as security for a bank loan, instead of the current circumstances where members can use their savings as surety to obtain a home loan only.

Gamsy said that while there is a need to provide households with access to cash to ease financial shortfalls, accessing cash from retirement funds will have a significant impact on the levels of retirement savings.

"High withdrawals, both from a volume and value perspective, will be disruptive on several levels. Apart from increasing the administrative burden on retirement fund administrators, the knock-on effects are substantial and have the potential to impact the economy given the scope of retirement fund investments in current and planned infrastructure projects."

Gamsy said his firm's other major issue is the impact this will have on funds available to members upon retirement. "At its core, pension fund legislation is designed to safeguard retirement savings to ensure that consumers can sustain their lifestyles upon retirement. Prudent retirement planning and saving can literally be a lifesaver at times when expenses remain but there is little or no additional income."

The end of a comfortable retirement in South Africa

Gamsy said that South Africans historically have a low savings culture and it is estimated that only between 6% to 8% of workers save enough to retire comfortably. Allowing consumers to access 75% of their retirement savings before retirement will render it virtually impossible for them to maintain a suitable standard of living when they stop working, he said.

Exacerbating this is the culture of consumerism, conspicuous consumption and instant gratification and there is no way of guaranteeing that retirement fund cash withdrawals will be used responsibly.

A retirement fund is a financial asset designed to cushion consumers from retirement age onwards, Gamsy said. He added that there is no point in using pension funds to solve an immediate problem if this results in an inability to fund a lifestyle post-retirement, which will see further burdens on the state social security system.

“We are aware that government continues to engage a broad group of stakeholders on this matter, and we acknowledge there is an urgent need to provide some form of short-term support, but we urge players to take a longer-term view that maintains the integrity of the pension fund foundation and protects consumers by giving them a guaranteed retirement safety-net rather than having to rely on government in their later years.”

Comment

Accessing your pension to fund current crises might not be the right solution for long term financial security.

Synopsis

PIC staff warn of ‘existential crisis’

Moneyweb

By Antony Sguazzin, Bloomberg

11 May 2021



Image: Moneyweb

Senior employees at a unit of South Africa’s PIC have accused executives of causing an “existential crisis” after a series of scandals over the past few years.

Staff at the Isibaya Fund, which oversees unlisted assets at the PIC, submitted a list of complaints including a failure to renew a mandate with the division’s biggest client and

allegations of general poor management, according to a nine-page letter to the company’s investment committee, seen by Bloomberg.

A 2016 agreement with the GEPF is being allowed to expire, wrote the authors of the message, dated 7 May and confirmed by the PIC. “An oversight of this magnitude and severe impact thereof, which places the PIC in a precarious position, ordinarily would require accountability,” the Isibaya workers said in the letter. “We are unaware of any action taken against the custodian of this issue.”

A halt to the PIC’s investments in unlisted assets would hamper its aim to play a developmental role promoting the growth of Black-owned businesses in South Africa and investing in projects with a social impact. The issue also comes as the PIC struggles to recover from the outcome of a judicial inquiry, which last year found management had flouted internal procedures and made questionable investment decisions over many years.

The Isibaya division, which doesn’t include holdings in unlisted property, accounts for about 4,3% of PIC assets. The team of about 100 people won’t be able to complete ongoing investments or embark on new ones until a new deal with the GEPF is negotiated, said a person familiar with the situation, who requested anonymity. As much as about a fifth of the PIC’s assets can be allocated to unlisted investments, under the money managers’ guidelines, the person said.

The matter is “being attended to internally,” the PIC said in a response to questions. The GEPF said it doesn’t “discuss operational matters between itself and the PIC in the public domain.”

Manager behaviour

As well as calling for the mandate issue to be resolved, the Isibaya team has demanded a meeting with the investment committee to discuss their complaints about the division’s acting head, Lusanda Kali.

The Isibaya Fund, founded in 1995, “invests in commercially viable African projects that have a strong, positive developmental impact and

transformation” ranging from renewable energy to healthcare, according to the PIC’s website.

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Comment

It is heart-warming to read that some of the PIC staff are now strong enough to raise their concerns with management. I’m sure others in the PIC share their concerns. But a team of 100 people?

Also, the PIC doesn’t have assets, it manages assets for its clients, the GEPP, UIF, RAF, etc.

Lastly, it is incredible that reputable media propagate that the PIC’s “aim is to play a developmental role in promoting Black-owned businesses”. This is so wrong that the media house and journalist should be spanked. The PIC’s aim must always be maximum ROI for its clients.

Synopsis

Sekunjalo Group slams Mpati PIC investigation for ‘unfounded’ allegations

IOL

By [Zintle Mahlati](#)

Sekunjalo Investment Holdings has slammed sections of the Mpati Commission report which implied improper conduct by the group despite no adverse findings or evidence being presented to support this.

The Sekunjalo group believes there were numerous unfounded statements made in the report which has negatively painted the group and its companies. In a presentation to parliament’s SCOF, advocate Wallace Mgoqi put a case on various statements made in the report which have left allegations hanging against the Sekunjalo group.

“The Commission made findings without supporting evidence. While the Commission made no adverse findings against any entity within the broader Sekunjalo Group, there were statements in the report which implied improper conduct or wrongdoing with no supporting evidence in the body of the report.

“The Commission ultimately perpetuated an unsubstantiated narrative that was intended to harm the Sekunjalo Group, Ayo Technology Solutions, Independent Media, Sagarmatha Technologies and every other company within the Sekunjalo Group,” Mgoqi said.

These are the statements, in the Mpati report, that the Sekunjalo group found an issue with:

“The Ayo transaction demonstrates the malfeasance of the Sekunjalo Group” -

Mgoqi said: “No evidence leading to the inclusion of this sentence in the report. No irregularity shown in the report, therefore, no basis for using the term. The term ‘Malfeasance’ seems to have been an afterthought and was maliciously added to inflict damage to the Group. It is defamatory and contradictory as there are no adverse findings against Sekunjalo.”

“Regardless of this non-servicing of the debt, which amounts to around R1,5bn, the PIC continued to invest in Premier Fishing, Ayo and almost in Sagarmatha”

Mgoqi said: “This reference is false. At the time of the Premier Fishing and Brands and Ayo listings, no loans were due or overdue to the PIC/GEPP. Independent Media’s loans were only due as of August 2018, yet Premier Fishing listed in February 2017 and Ayo in December 2017. In addition, the PIC was in discussions with the Sekunjalo Group on an exit strategy for its investment in Independent Media well before the Independent Media loans became due.”

“The Sekunjalo Group influenced companies in which it had invested to support Independent Media–Media allegations” the report stated.

Mgoqi said this reference was partially true. “The Sekunjalo Group is well within its rights, legally, ethically and morally considering the mass unemployment in South Africa to support investments in the group as a means of social good and good business sense.”

Mgoqi also denied the Sekunjalo’s board was not independent and that the PIC had been involved in appointing board members.

Earlier, Dr Iqbal Survé, chairman of the Sekunjalo Investment Holdings, told the

committee the company had been targeted in the Mpati's investigation into the PIC. He said other companies the PIC had invested in and had made losses, were never subjected to investigations.

Comment

As always, dear reader, you must be aware of who reports what is purported to be news. This article was compiled by and carried by Survé's news agency. Note the selective out of context quotes from the Commission's report, deftly directing attention to irrelevant aspects, but nothing to convince us that our money is going to be repaid.

Synopsis

PIC pushes Iqbal Survé into a corner as more of his entities, including Independent Media, are dragged to court

Business Maverick

By Ray Mahlaka

12 May 2021

The PIC has dragged another Survé-linked entity to court to recover overdue monies owed to the state-owned asset manager. The PIC is suing Independent Media to recover R392,6m. It's also suing Sekunjalo Independent Media and Ayo Technology Solutions, both linked to Survé.

The latest Survé-linked entity that the PIC has hauled to court is Independent Media, which owns a range of well-known publications including *The Star* and *Cape Argus*. Sekunjalo Independent Media (SIM), controlled by Survé, owns 55% of Independent Media.

The PIC has been a big backer of entities linked to Survé, supporting his successful purchase of Independent News and Media (later renamed Independent Media) in 2013 from Ireland-based owners.

During 2013, the PIC advanced several loans to SIM and Independent Media, which is 25% owned by the PIC. The loans were for five years and were repayable (with interest) in August 2018. By 2017, the PIC believed that there were signs that Survé's entities would default on payments.

PIC CEO Abel Sithole told SCOF on Wednesday that the state-owned asset manager had instituted legal action against Independent Media to recover the R392,6mn that it is owed. "During January 2021, the PIC has subsequently issued an action of proceedings for the recovery of said amounts" he said, adding that the PIC had unsuccessfully demanded repayment from Independent Media as early as July 2020.

Sithole said that on 30 July 2020 the PIC sent an enforcement notice to Independent Media for the repayment of the outstanding amounts, including interest accrued. But no payments were made, resulting in Independent Media defaulting on loan repayments.

On 2 September 2020, the PIC then invited Independent Media executives for "in good faith" negotiations to resolve the company's default event, but the PIC's advances were unsuccessful.

The GEPF that begrudgingly agreed for loans to be extended to Survé's entity to purchase Independent Media after warning that the print industry had a bleak future, has also entered the fray, as it knocks on Independent Media's door to honour outstanding amounts.

More legal proceedings

Independent Media aside, the PIC has already hauled Survé to court for another entity linked to the businessman. In November 2019 the PIC applied in court to liquidate Sekunjalo Independent Media (SIM). The application is still ongoing in court.

The PIC launched liquidation proceedings against SIM after it proposed paying the asset manager R330mn in four tranches over a four-year period, which the PIC has declined. The PIC wants a full settlement of monies owed. Then there is the R392,6mn in outstanding payments linked to Independent Media that the PIC wants to recover through legal proceedings.

The PIC is also suing Ayo Technology Solutions, another Survé-linked entity through his Sekunjalo group, arguing that the R4,3-billion investment it made in the company was based on inflated information about its financial prospects and Survé's close friendship with former PIC CEO Dan Matjila.

Sithole said the PIC had opted to take the legal route to recover its monies owed by Survé's entities as a last resort after failed attempts to have the payment disputes resolved out of court.

Survé, the Sekunjalo chair, also attended the meeting of parliament's SCOF and denied all findings of the Mpati commission. Survé said his group would take the Mpati commission report on review. The report was released by the Presidency in March 2020. **DM/BM**

Comment

There is little information about the litigation, leaving us to wonder why? Survé's media also enjoys making all aware of the race card being played, using obfuscation, misdirection and selective reporting to direct attention away from the money he owes.

Synopsis

Why Naidoo's Lancaster 101 is taking Reserve Bank to court over Steinhoff assets

Cape Talk
20 May 2021
By Paula Luckhoff

The Bank should review its decisions to ensure a fairer deal for all Steinhoff's victims says Jayendra Naidoo (Lancaster chairman). The case of Lancaster 101's fight to get the Reserve Bank to overturn approvals enabling the expatriation of disgraced Steinhoff's assets is complicated, says Bruce Whitfield.

In a nutshell, former Pepkor chair and ex-trade unionist Jayendra Naidoo, through his company Lancaster 101, raised funding from the PIC to invest in Steinhoff as a BBE partner.

He served on the Steinhoff (controlling shareholder in Pepkor) board from 2017 and stepped down in 2018, while remaining chairperson at Pepkor until January this year. Naidoo said he resigned from Pepkor because his ongoing battle with Steinhoff made his position there untenable.



Image: J&J Group

On The Money Show, Bruce Whitfield, asks Naidoo to outline his beef with Steinhoff.

With Steinhoff there's obviously a massive fraud that's taken place so all the shareholders have lost money, including Lancaster 101.

Jayendra Naidoo, Chair Lancaster 101

What's at stake now is whether the settlement that is offered is fair and equitable...

Jayendra Naidoo, Chair Lancaster 101

In Lancaster's view this is not the case, as the settlement favours the US hedge funds that have bought the debt and prejudices the claimants. Naidoo says, like everyone else, the Reserve Bank was fooled by the "misrepresentations" that have taken place over the years in Steinhoff.

The decisions of the Reserve Bank is what has led Steinhoff to list and to externalise its South African-owned assets outside of South Africa. Jayendra Naidoo, Chairman - Lancaster 101

That is ultimately why the US hedge funds who've taken over the debt stand to get 100c to the rand, and the claimants get between 2c and 18c on the rand. Jayendra Naidoo, Chairman - Lancaster 101

The assets that the hedge funds have security over, those were taken out of the country under the Reserve Bank's approval which was obtained by false representation. Jayendra Naidoo, Chairman Lancaster 101

At issue here is the Reserve Bank's refusal to review the decision to approve Steinhoff's delisting structure.

If they would review the decision - including the decision they made late last year which was in support of the settlement offer (which resulted in more externalisation of SA assets)

- it would have a material effect on how the settlement would work for the claimants and the existing creditors. Jayendra Naidoo, Chairman Lancaster 101

Our legal advice is that the Reserve Bank can certainly review its decision which it ought to do, based on information which is now in the public domain. Jayendra Naidoo, Chairman Lancaster 101

If Lancaster's application is successful it would result in everyone getting a fairer deal, he says.

Comment

Steinhoff shares haven't recovered, although they are a bit better than they were two years ago. Getting our billions back is never going to happen.

Synopsis

THE ESKOM FILES | Anatomy of Kusile kickbacks: How big contractors funded Eskom execs' 'schools', 'churches'

News24

By Kyle Cowan, Siphon Masondo and Azarrah Karrim



- Former Eskom senior contracts manager France Hlakudi is at the centre of a R100 million kickback scandal.
- He and another former executive, Abram Masango, are being prosecuted for kickbacks related to Eskom contracts.

Contracts between Eskom and four major companies working on the Kusile power station project ballooned from just more than R4bn to more than R11bn in a little under eight years - R100mn of which flowed to former senior Eskom managers. This includes hundreds of millions of rand in claims paid by Eskom to the four companies -

Stefanutti Stocks, Esor Construction, Tenova Mining and Minerals, and Tubular Construction Projects.

Investigators from law firm Bowmans, hired in 2018 to probe widespread graft at the power utility, have since discovered that former senior Eskom official France Hlakudi was at the centre of a R100 million kickback scheme relating to the payment of these claims and in one case, the awarding of a R745 million contract that grew to R1,4 billion in value.

The payments were made "through deliberate manipulation and/or misrepresentation and the claims process was circumvented to facilitate undue payments to contractors", according to one Bowmans feedback document to the Eskom board, dated late 2018.

The Eskom Files include thousands of pages of forensic reports, bank statements, emails and invoices, and gives insight into the grand corruption that unfolded around the Kusile power station, started in 2007, which is years late and has cost approximately R160bn to date.

The files show Hlakudi and his company, Hlakudi Translation and Interpretation (HTI) and a company named Babinatlou Business Services, were paid roughly R100mn over several years by the four companies. Between November 2014 and November 2017, these Eskom contractors paid more than R75mn to Babinatlou and R21,9mn to Hlakudi's HTI. Babinatlou, in turn, paid at least R42mn of that money to HTI, a News24 analysis of bank statements showed.

Hlakudi, his then-boss and former group executive for group capital, Abram Masango, as well as then-senior contracts managers Mildred Nyoka and Dianah Motlou, all derived benefits from the R100mn paid to Babinatlou and HTI, including millions paid towards Hlakudi's chicken farming business in Limpopo, cars, cash, lavish home renovations, study fees and travel.

In exchange, the companies saw improved fortunes on their various multibillion-rand contracts at Kusile, including the payment of claims for time delays worth hundreds of millions.

Hlakudi claimed the money paid to HTI and the R33,5 million in cash he withdrew from the company was all for philanthropic and business ventures in "implementation of specific projects in the Sekhukhune region of Limpopo". He said this included the renovation of churches, construction of schools and creches and "agricultural initiatives". Hlakudi told News24 he had proof these projects were carried out. At the time of writing, he had not provided such proof.

He initially denied any funds from Tenova or Stefanutti Stocks found their way to him and provided an alternative explanation for the funds that flowed to HTI when confronted by News24 with evidence to the contrary. Hlakudi told News24:

"I do not know sources of funds from Babinatlou."

Esor Construction previously EsorFranki Civils

Esor [paid R3,1 billion for Kusile contracts] paid R20,5 million to Babinatlou between May 2016 and October 2017, most of which was paid within days to HTI. The company maintained it believed the funds paid to Babinatlou were for the refurbishment of schools in Limpopo.

Esor's managing director, Wessel van Zyl, told News24 "Esor had no knowledge that the money was not spent on the school projects and was unaware that any Eskom officials could or would benefit" from the payments to Babinatlou. The company filed for business rescue in 2018 and remains under investigation by Eskom and the SIU. Van Zyl said Esor continued to co-operate with these probes.

Tenova Mining and Minerals

Tenova was awarded three Kusile contracts in 2010 for R3,9 billion. The company paid R46,2 million to Babinatlou between April 2016 and November 2017.

Tenova managing director Richard Späth told News24 previously the company had in 2018 reported concerns around Babinatlou to Eskom, National Treasury, the Hawks and

SIU. He said he could not comment further as the Eskom contracts were still under investigation by law enforcement but added Tenova continued co-operating with the authorities.

Tubular Construction Projects

TCP and two of its subsidiary companies as well as TCP directors Mike Lomas and Tony Trindade paid R6,3 million to Babinatlou and R21,9 million to HTI between November 2014 and November 2017.

Hlakudi, Masango, Trindade, Lomas, and Babinatlou's Kgomoewana face fraud, corruption and money laundering charges connected with these payments and TCP's de-scoped contract. Later, the contract ballooned to R1,4 billion. TCP is being liquidated for a debt owed to Standard Bank while Lomas, who fled to the UK, is fighting extradition proceedings in that country.

TCP entities also paid R1,4 million to another of Hlakudi's companies - Bon Service Telekom. "There is an agreement between Tubular Holdings and Coxinel Foundation [another of Hlakudi's entities] regarding implementation of specific projects in [the] Sekhukhune region of Limpopo province," Hlakudi told News24 when confronted with detailed questions over the dealings of HTI and Babinatlou.

JSE-listed Stefanutti Stocks told News24 it was continuing with disputes with Eskom over contractual issues. A draft report by Bowmans found "it is apparent from what has been outlined herein that SSBR has been paid in excess of R1bn in respect of a global claim which it has failed to substantiate and which it would not have been paid had Eskom's claims policies and procedures been observed".

Hlakudi is due back in court on 24 May, where he is facing a R30mn tax fraud case relating to his companies HTI, Bon Service Telekom and Coxinell. On 1 June, he is expected back in court with Masango, Kgomoewana and Trindade in the Tubular case.

This investigation is brought to you by News24 in partnership with the [Global Initiative Against Transnational Organized](#)

Comment

And you wondered, dear reader, how Eskom managed to be so deeply in debt. This is only one of many such Eskom fraud and corruption cases. The leading question, of course, is how to recover the money.

Synopsis

The media and ethnic division

The Friend

By Ed Herbst

22 May 2021

<https://dailyfriend.co.za/2021/05/22/the-media-and-ethnic-division/>

Over the past 20 years the IRR has commissioned seven opinion surveys on race relations. All seven reveal that the proportion of black Africans (blacks) who think race relations have improved outnumbers the proportion who think the opposite.

At the same time, however, the number of blacks who report that they have no “personal experience” of racism has risen from 46% in 2001 to 81% last year.

John Kane-Berman Politicsweb 3/5/2021

It used to be unthinkable but these days it is not unusual to see a whole media group peddle dangerous xenophobic content based on lies and deliberate mischaracterisations. I cannot think of any reason why this should be done if not to create social instability and political anarchy.

Songezo Zibi News24 15/5/2021

As John Kane-Berman points out in the first quote above, the majority of black African respondents in IRR opinion surveys have testified that they do not experience racism in their daily lives and that it is not one of their major concerns. However, as former *Business Day* editor, Songezo Zibi, points out in the second quote, there is one media group that, for nefarious reasons, constantly seeks to poison race relations.

Which media group could he be referring to?

There are four major newspaper companies in South Africa – Media 24, Arena Holdings, Caxton and CTP, and Sekunjalo Independent Media (SIM). Bob van Dijk is CEO of Naspers, Ishmet Davidson is CEO of Media 24 and

Rika Swart heads the Media 24 print division. Tshepo Mahloele is CEO at Arena Holdings, Terry Moolman and Noel Cobur at CTP and Caxton, and Iqbal Survé at Sekunjalo.

Iqbal Survé is constantly in the headlines, mainly through oleaginous puff pieces in his own newspapers with pride of place going to an imbongi interview with Aneez Salie. The senior news company executives in the other newspaper companies are, in comparison, low-key individuals.

There is, however, a foundational difference between the editorial approaches of these newspaper groups. This is obviously what Songezo Zibi was referring to in the *News 24* article, which is the source of the quote above.

Dictates news content

Although the allegation was denied at the time, former AYO executive Sipiwe Nodwele testified at the Mpati Commission hearings that Iqbal Survé dictates news content at Sekunjalo. A fundamental difference between Sekunjalo’s news content and that of the other companies is the way in which Survé’s newspapers seek to portray white people as innately racist.

The motivation for this clearly comes from the company owner, who has never hidden his antipathy to white people and constantly plays the race card or dismisses rival media companies and reporters as apartheid sympathisers.

Implementing this approach is Aneez Salie, on whose watch as editor the circulation of the *Cape Times* dropped from around 30 000 daily when he was appointed in February 2015 to less than 10 000 now, and who, as a reward, has been made head of news overall.

His former colleagues at the *Cape Times* have told me that what drove Salie to weaponise the newspaper against whites in general and white farmers in particular was his anger at the way he and his former wife, Shirley Gunn, were mistreated when they were arrested as MK operatives by the apartheid-era security police.

What Paper Tiger, the evidence before the Mpati Commission and the submissions to the

SANEF inquiry into ethical journalism, have shown us is that once the initial goal of driving out newsroom staff of integrity had been achieved, good-faith journalism ceased to exist at the Cape Times in particular and at the other titles as well.

My first experience of this occurred shortly after Aneez Salie became editor of the *Cape Times* and it published an article to which Helen Zille drew attention. It was headlined 'Foetal Alcohol Syndrome's Sad Legacy', it claimed that wine farmers in the Western Cape had embarked on a deliberate programme of inducing wide-scale foetal alcohol syndrome (FAS) among their women employees through the use of the illegal 'tot system'. As it turned out, the closest the reporter who had written the article had come to a foetal alcohol syndrome case was to a foetus in formalin in the medical museum at the Tygerberg Hospital.

Ratchet up hatred

Aneez Salie did not respond to my challenge that he call a press conference to name and shame the farmers responsible. He did not respond because the article was a pack of lies deliberately written to ratchet up hatred against a commercial sector which is the largest employer in the province, its most significant exporter and renowned for its efforts to enhance the quality of life of its employees.

The reporter concerned resigned and Salie suffered no sanction. This attempt to demonise the province's food producers has continued ever since.

Racially inflammatory reporting

What buttresses the claim by Songezo Zibi about the racially inflammatory reporting of one media group is that the politicians with whom Survé and Sekunjalo Independent Media have been and are aligned are quite open about their antipathy towards white people.

Here's the irony.

Survé and Salie claim to revere Nelson Mandela and his name is constantly evoked by them, yet the anti-white news coverage which dominates the pages of SIM

newspapers is the antithesis of one of Mandela's ideals and policy goals – nation building through ethnic reconciliation.

'People before profits' proclaims the Sekunjalo website, but Survé has, while living an enviable lifestyle, cut the salaries of his media staff by up to 40% and reduced the medical aid contributions to his company's pensioners by 50%. The dwindling numbers of Survé's remaining staff will have noted that, while the Oppenheims, the Ruperts and Naspers are routinely besmirched in his newspapers, he has not contributed a cent to the Covid-19 Solidarity Fund, while they have collectively donated billions to the fund and to affected industries.

The ethnically divisive reporting in Iqbal Survé's newspapers, which carries his imprimatur, belies the reality of racial harmony which the Institute of Race Relations' opinion surveys have made a matter of record for the past two decades.

Comment

Remember that government pensioners are still shareholders of Independent Media through the PIC investment and are, therefore, assisting Survé in his racial hatred campaign. Consider, what would be the delay in declaring Sekunjalo bankrupt?

Synopsis

High-profile example

25 May 2021

INCE|Community

By Allan Greenblo



When it comes to payment of retirement-fund contributions, one might have expected better of the governing ANC.

Actually, not really.

These can't be the happiest times for Paul Mashatile, treasurer-general of the ANC and member of its top six, or is it top five?

Apart from all the other political turmoil that engulfs him, if the Sunday Times is to be believed (and when is it not to be believed?) he'd also be the party's front man in addressing staff retrenchments, late salary payments, a multi-million rand bill for unpaid PAYE taxes (R80mn at one stage) and a debt (around R140mn when he took office) owed to its provident fund.

Whoever is responsible for the latter should, at the least, be publicly identified. It brings into sharp relief, at the highest level, one of the biggest problems that afflicts the retirement-fund industry.

Once the contribution has been deducted from the employee's salary, its non-payment to the fund means that the employee loses out on retirement benefits and is further prejudiced by the absence of investment. Potentially worse, what's happened to the money? Is it still intact for payment to the fund, and what if it isn't; for example, been (mis)appropriated to assist the employer's operating expenses?

Constant warnings

Year in and year out, Pension Funds Adjudicator Muvhango Lukhaimane emphasises that "the continued non-payment of fund contributions by employers is of great concern".

In the latest annual report of her office, the then board chair and FSCA acting commissioner, Abel Sithole, noted that the greatest number of complaints to the Adjudicator related to non-payments by employers of employees' contributions.

In 2014 it was provided under the Financial Laws Amendment Act that "every director who is regularly involved in the management of the company's overall financial affairs" would be personally liable for the payment of fund contributions. Retirement funds were required to request employers to identify these people.

In addition to the possibility of these relevant people being held personally liable for

payment, they could also be subject to criminal sanction.

Allan Greenblo is editorial director of Today's Trustee (www.totrust.co.za), a quarterly publication mainly for the principal officers and trustees of retirement funds.

Comment

It seems the ANC is doing to its employees what it wants to do with the GEPF...

THE GEPF WATCHDOG/WAGHOND FACEBOOK PAGE

The GEPF Watchdog/Waghond Facebook page is the social media platform of the non-profit organisation "The Association for the Monitoring and Advocacy of Government Pensions" (AMAGP). The AMAGP has only one agenda point – safeguarding the GEPF against looting and mismanagement.

Most of our GEPF members are content with the fact that pensioners still get their monthly pension (and some increases annually), and they are convinced by GEPF newsletters and ambitious briefings by the GEPF Board of Trustees that our Pension Fund is in a superb condition. There is, however, another side to the coin! The AMAGP newsletters tell a different story.

Our Facebook and AMAGP are together more than 57 000 members and continually growing, but this isn't enough. However, this continued growth confirms the ever increasing concern pension fund members and pensioners have about the future of their pensions.

As a member of the GEPF (working or retired), this Facebook page will keep you updated about any developments affecting the health of YOUR Pension Fund. It also provides you with the opportunity to participate in the debate and raise issues of concern. Although it is not part of the core business of this page, you may also raise matters regarding the day to day management of your pension administration, which we will

gladly refer to the Government Pensions Administration Agency (GPAA). Please read the articles that are posted on the wall, BUT also read items saved under "Announcements" and "Files". You can get further information on our website – there is no reason to be in the dark regarding our/your Pension Fund, and what you must do as a member.

This page will only have any value for you if you join the AMAGP. Note there are no membership fees. You don't have to do any work for the AMAGP if you do not wish to do so – BUT your membership will add one more voice to AMAGP convince the government our pensions remain ours, not theirs to misuse. You can complete the online registration form under "Announcements" (English and Afrikaans) at the top of the Facebook page, or you can visit our website at www.AMAGP.co.za, and complete the online application form that you will find under "Membership". There are also registration forms in English and Afrikaans that you can print, complete and return to us under "Files" on the Facebook page.

The AMAGP does not want any GEPF member to leave the Fund, because it still is the best pension fund in the RSA – BUT, we as members and owners of the Fund have to protect it against abuse.

Welcome to our page – please help us to get thousands more GEPF members to join this page and the AMAGP, so that we will have the required bargaining power. **We are the owners of the GEPF**, and we have the right and the power to force the GEPF Board of Trustees, and the PIC, to manage and invest OUR money in a responsible and profitable way. To the advantages of members and pensioners, not looters and mismanagers!

VRYWARING

Die AMAGP maak die Nuusbrief beskikbaar as 'n diens aan beide die publiek en AMAGP lede.

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