

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER 482 [NW525E]

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Dr D T George (DA) to ask the Minister of Finance:

- (1) Whether, with reference to the statements made by a certain person (name and details furnished) during his testimony on the Cadac Pension Fund matter before court regarding his refusal to answer questions on the basis that he may incriminate himself and/or the Financial Services Board (FSB), he has requested this person to explain his statement; if not, why not; if so, what are the (a) reasons for his incrimination concern and (b) further relevant details;
- (2) whether he will launch an inquiry into the tendency of the FSB to repeatedly recommend a certain person (name furnished) to the curatorship of retirement funds; if not, why not; if so, what are the relevant details?

NW525E

REPLY:

- (1) Yes, I did request, and received, a satisfactory explanation from the Financial Services Board, on the statements attributed to Mr Dube Tshidi in his testimony during the criminal trial of Mr Simon Nash and the Sable Industries Pension Fund. I am happy that the Honourable Member is seeking to establish the facts, particularly since the Democratic Alliance, under the name of the Honourable Member, issued a statement calling for the resignation of the Executive Officer of the FSB on 1 February 2011, without first establishing the facts. I want to appeal to all political parties, to defend the integrity of our regulators. In particular, members of the House must await the outcome of the court cases initiated by the FSB before jumping to any conclusions and pre-judging the FSB or its Executive Officer, particular when they act to protect the interests of policy-holder or members of pension funds.

(a) and (b) Mr Tshidi advised me that he was not admitting to doing anything wrong or illegal, either personally or as Registrar. Rather, Mr Tshidi, who was responding to a question under cross-examination by the presiding officer, was pointing out that he did not want to prejudice the Registrar's case in the parallel case involving the pending curatorship of the Cadac Pension Fund. On 21 December 2010 the Executive Officer successfully applied for the provisional curatorship of the Cadac Pension Fund. Mr Nash and his wife, Elena Forno-Nash, were at the time trustees of this Fund, and the extended return date of the provisional order is 6 June 2011.

- (2) No, I will not be launching any inquiry into the FSB. The FSB has advised me that there is no tendency on its part to repeatedly recommend the appointment of a certain person as curator of retirement funds, even though there is a very small pool of such curators, and curators who have a record for recovering funds. The FSB recommends curators that are suitably qualified for the nature and extent of the curatorship, but it is up to the Court to consider the suitability of the person recommended and to make the decision on the appointment of a specific curator. The Honourable member must take into account how our judicial system functions. I am open to making suggestions to the Minister of Justice on any proposals to improve the system of curatorship, including on limiting the fee structure and increasing the pool and quality of curators, should the Honourable Member have any such suggestions.