

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 1252 [NW1499E]

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Adv A de W Alberts (FF Plus) to ask the Minister of Finance:

- (1) (a) How many and (b) which pension funds established by the State are there in the (i) Public Service as a whole and (ii) in public entities;
- (2) what is the (a) size and (b) investment mandate and style of each pension fund;
- (3) which pension funds (a) fall under jurisdiction of the Pension Funds Act, Act 24 of 1956, and (b) have been established in terms of unique and separate legislation;
- (4) (a) which pension funds have a board of trustees that does not operate independently of the employer and (b) what is the reason for this?

NW1499E

REPLY

In terms of the information submitted by the Financial Services Board, Government Pension Administrative Agency and National Treasury:

- (1)(a) There are 3 public service pension funds.
- (1)(b)(i) The public service funds are: Associated Institutions Pension Fund (AIPF); Temporary Employees Pension Fund (TEPF); and Government Employees Pension Fund (GEPF).
- (1)(b)(ii) The FSB does not have consolidated and comprehensive information on the retirement funds of the 200 schedule 2, 3A and 3B public entities listed as at 31st March 2013. I will ask the Financial Services Board (which recently appointed a new Deputy Executive Officer for Pensions) to collect this information and report back to me in six months. I wish to thank the Honourable Member for raising this matter.
- (2)(a) The AIPF has 2 521 active members.

The TEPF has 123 active members.

The GEPF has 1 275 278 active members.
- (2)(b) The GEPF had assets valued at R1 trillion in March 2012.

Strategic Asset Allocation percentages

	Minimum	Strategic allocation percentage	Maximum
Domestic equities	45%	50%	55%
Domestic property	2%	5%	8%
Domestic bonds	22%	31%	40%
Cash / money market instruments	0%	4%	8%
Foreign equities	1%	3%	5%
Foreign bonds	0%	2%	4%
Africa (excluding South Africa)	0%	5%	5%
Total		100%	

Source: GEPF

(3)(a) All occupational pension funds fall under the Pension Funds Act, No. 24 of 1956 except for GEPF, AIPF, TEPF, Transnet Pension Funds, Post Office Pension Fund and the Telkom Pension Fund.

(3)(b) **GEPF:** The GEPF was established in terms of the Government Employees Pension Law, Proclamation 21 of 1996 (GEP Law).

AIPF: The AIPF was established in terms of the Associated Institutions Pension Fund Act No. 41 of 1963.

TEPF: The TEPF was established in terms of the Temporary Employees Pension Fund Act No. 75 of 1979.

Transnet Pension Funds: The Transnet Pension Funds were established under the Transnet Pension Funds Act No. 62 of 1990.

Post Office and Telkom Pension Funds: The Post Office Retirement Fund and The Telkom Pension Fund were established in terms of the Post Office Act No. 44 of 1958.

4(a) None. GEPF, Transnet, Post Office and Telkom Pension funds Boards of Trustees operate independently of the employer.

Neither the AIPF nor the TEPF have a Board of Trustees. The authorising legislation of both the TEPF and AIPF does not require a board of trustees.

4(b) Not applicable, given the answer in 4(a).