

**NATIONAL ASSEMBLY**  
**QUESTION FOR WRITTEN REPLY**  
**QUESTION NUMBER 1212**  
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**Dr D T George (DA) to ask the Minister of Finance:**

- (1) (a) When was the last actuarial evaluation conducted of the Government Employee Pension Fund (GEPF), (b) what was the outcome of the evaluation and (c) when will the next evaluation be conducted;
- (2) whether the employer will make additional contributions to fund any shortfall; if not, why not; if so, what are the relevant details;
- (3) what is the reason for the replacement of the principal officer of the GEPF (name furnished);
- (4) whether any severance package was paid to him; if not, why not; if so, (a) what was the amount and (b) how was it funded?

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**REPLY**

- (1) (a) The last statutory valuation of the Fund was done as of 31 March 2008.  
(b) The valuation revealed that the Fund had accrued liabilities and affordable contingency reserves of R 707 042 million and assets of R707 042 million as at the valuation date. The result was a nil surplus in respect of past service liabilities, with a funding level of 100%.  
(c) According to Rule 4.9.1 of the GEP Law and Rules the Fund must be valued at least every three years by the actuary. Given recent developments in the financial markets, the Board has resolved to carry out a statutory valuation on the Fund as of 31 March 2010.
- (2) The valuator of the fund recommended that there should be no change in the employer contribution rate based on the 31 March 2008 statutory valuation.

- (3) The GEPF is a separate juristic person and the former Principal Officer was appointed by the Board of Trustees of the GEPF in terms of the powers conferred on the Board by the rules of the Government Employees Pension Law, 1996. The Board of Trustees resolved to, in the best interest of the functioning of the GEPF, to facilitate the early expiry of the services provided by Ms Ramataboe.
- (4) (a) The Board resolved to pay the former Principal Officer the remainder of her contract period of 14 months. At this stage the Board is unable to make the amount known as the amount payable to the former Principal Officer is also not the final amount as the annual salary review has not been finalized and it might impact on the final amount, however, the information will be published in the Annual Report.
- (b) The payout to the former Principal Officer will be funded from the Fund (GEPF).