



EFF STATEMENT ON PENSION FUND ADJUDICATOR'S CALL FOR EMPLOYEES TO CHECK THE STATE OF THEIR PENSION FUNDS, AMIDST WITHDRAWALS USING THE TWO-POT SYSTEM

Tuesday, 10 September 2024

The Economic Freedom Fighters (EFF) has noted the call by the Pension Funds Adjudicator Muvhango Lukhaimane, for workers across the country to check whether there is money in their respective pension funds. These pension funds ought to have money from the deductions made from the salaries of workers on a monthly basis, but many of these funds are empty due to non-compliance with Section 13A of the Pension Funds Act.

The call from the Pensions Fund Adjudicator comes amidst a crisis wherein there is an 82% caseload of complaints with the office, that employers were not paying their pension deductions to the administrators, and as employees make withdrawals in line with the newly introduced 'two-pot' system, workers are finding out that their pensions have not been paid over by employers.

It is the EFF which on the 12th of January 2024, following a report by the Financial Sector Conduct Authority (FSCA), raised a concern to the public that certain institutions, namely local government municipalities and private security companies are in arrears on their pension fund contributions for periods ranging from 6 to 240 months. It is this same EFF, that raised this concern with the Minister of Finance that municipal pension funds were in arrears to the tune of R1 Billion, and the Private Sector Security Provident Fund (PSSPF) and other private security pension funds are in arrears to the tune of R6 Billion.

Unfortunately, the Minister of Finance and the National Treasury has ignored the EFF for more than 8-months, and now the Pensions Fund Adjudicator has rung the alarm when it is too late, and we are on the verge of a crisis. It is a fact that millions of South African workers are under the impression that they have money saved up in their pensions, whereas this money has been looted for more than a decade and a half.

The signing of the Revenue Laws Amendment Bill of 2023 has now exposed that pension funds of workers have been looted, because the two-pot system has created a scenario that resembles mass-resignations and mass-retirements, because millions of workers are trying to access their pensions for withdrawal purposes, all at the same time. These funds are practically empty.

It is irresponsible of the Pensions Fund Adjudicator to ring the alarm at this late stage and call for workers to go and check whether there are funds in their pension accounts, when there are authorities such as the FSCA that have already exposed who are delinquent employers who have stolen workers' pensions.

The panic by the Pensions Funds Adjudicator has vindicated the EFF in its call for the establishment of an Ad Hoc Committee in Parliament, that will investigate what we have correctly characterised as the Pensions Fund Heist!



We will continue to be the shield and advocate of all workers, and ensure we utilise all legislative and judicial mechanisms to ensure that the monies of all workers are repaid to them now; and at the centre of this heist is the delinquent Minister of Finance Enoch Godongwana, who has a history of stealing the pensions of textile workers.

Worker's Pensions Must Be Repaid Now!

ISSUED BY THE ECONOMIC FREEDOM FIGHTERS

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