

MEDIA RELEASE 5/2022

Issued on behalf of the Association for the Monitoring and Advocacy of Government Pensions. (AMAGP)

Cape Town 9 September 2022

GEPF NOT ACTING IN THE BEST INTEREST OF CIVIL SERVANTS/PENSIONERS

The Government Employees Pension Fund (GEPF) is not acting in the best interest of civil servants and pensioners. Much rather it is pursuing the best interest of the economic ideologies of the ruling party.

The investment agent of the GEPF i.e. the Public Investment Corporation (PIC) informed the National Council of Province's in June this year that it plans to ramp up the unlisted asset share of its investment portfolio (practically the Sibaya investments) from 5% to a 'visionary' 25% to drive transformation and job creation – 25% of R2.3 trillion! The GEPF defended this new mandate to the PIC based on the GEPF strategy on its social objectives to 'achieve crucial social outcomes' which are 'critical for a functioning economy' and 'contribute to economic growth'

In direct contradiction, the other two PIC clients i.e. the Unemployment Insurance Fund (UIF) and the Compensation Fund (CF) informed Scopa on Tue 6 Sept that they withdrew their mandate to the PIC to further invest in unlisted entities because of poor performance in that sector – and they quoted their loss-making figures.

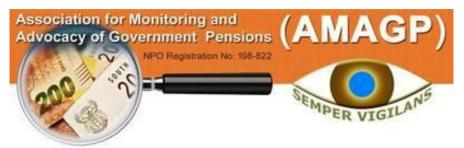
It boggles the mind that the UIF and the CF clearly are pursuing the best interest of their members while the GEPF pursues the economic ideologies of the ruling party! It is not the function of a pension fund to pursue a functioning economy or economic growth – it is the function of government.

Above is possible because of the founding legislation of the GEPF and the PIC that fragrantly discriminate against civil servants and pensioners. Private sector pension legislation (Pension Funds Act) clearly stipulate that all investments should be in the best interest of the fund and that investments in the business of the employer is not allowed. The Government Employees Pension Law miraculously has no similar provisions and is formulated to effectively give the employer (the State) full control over the fund. The dangerous reality is that the State has full control over R2.3trillion of civil servant pension funds and pursue its political end destructive economic policies with that sum of money.

The end result of above: civil servants do not enjoy equal protection and benefits of pension law and their precious pensions are squandered on 'the business of the employer'.

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MEDIAVRYSTELLING 5/2022

Uitgereik namens die Vereniging vir die Monitering en Bevordering van Regeringspensioene (AMAGP)

Kaapstad 9 September 2022

DIE GEPF TREE NIE OP IN DIE BESTE BELANG VAN STAATSDIENSWERKNEMERS EN PENSIOENARISSE NIE

Die Staatsdiens Pensioenfonds (SDPF) (Government Employees Pension Fund - GEPF) tree nie op in die beste belang van staatsamptenare en pensioenarisse nie. Veel eerder ondersteun dit die ekonomiese ideologie van die regerende party.

Die beleggingsorgaan van die GEPF nI die Openbare Belegginskorporasie (OBK) (Public Investment Corporation – PIC) het in Junie vanjaar die Nasionale Raad van Provinsies ingelig dat dit beplan om die persentasie van sy beleggings in ongelyste entiteite (bekend as die Sibaya beleggings) te verhoog vanaf 5% na 'n beplande 25% met as doel : transformasie en werkskepping – dit beteken 25% van R2.3 miljard! Die GEPF verdedig hierdie nuwe mandaad aan die OBK uit hoofed van hul sosiale doelwit strategie waardeur kritieke sosiale doelwitte nagestreef word en wat dan belangrik is vir 'n funksionerende ekonomie maar ook om ekonomiese groei te stimuleer.

In direkte teenstelling met bogenoemde het die ander twee OBK-kliënte nI die Werkloosheid Versekeringsfonds (WVF) en die Vergoedingsfonds (VF) op 6 Sept 2022 vir Skopa ingelig dat hulle hul mandaat aan die OKB om wel te belê in ongelyste entiteite terug getrek het. Hul motivering: ongelyste entiteite het 'n swak beleggingsgeskiedenis – en hul het syfers om dit te staaf aan Skopa voorgelê.

Dit is verstommend dat eendersyds die WVF en die VF duidelik die beste belange vaan hul lede najaag terwyl andersyds die SDPF presies die teenoorgestelde doen en eerder die ekonomiese prioriteite van die regering van die dag voorop stel. Dit is nie die funksie van 'n pensioenfonds om ekonomiese groei en 'n funksionerende ekonomie na te jaag nie – dit is die funksie van die regering.

Bostaande is moontlik omdat die wetgewing wat die STDF en die OBK skep dit moontlik maak en flagrant diskrimineer teen staatsdienswerkers en pensioenarisse. Privaatsektor pensioene word gereguleer dier die Pension Funds Act wat bepaal dat te alle tye die beste belang van die fonds nagejaag moet word en dat daar geen belegging mag wees in die werkgewer se besigheid/maatskappy nie. Hierdie twee anti-korrupsie meganismes bestaan nie in die Government Employees Pension Law nie en die staatsdienswerker geniet geen diesulke beskerming teen werkgewer uitbuiting nie. Die gevaarlike realiteit is dat die werkgewer - dws die staat -effektief volle beheer oor SDPF-fondse van R2.3 miljard het.

Die som-totaal van bogenoemde: staatsdiens werknemers geniet nie dieselfde statutêre beskerming tov hul pensioene as privaatsektor werknemers nie en hul pensioene word verspil op die beleidsprioriteite van die werkgewer nl die staat

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