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SACP sees red over workers' absence from pension board

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Communist party keeps heat on PIC's funding of Telkom empowerment deal

THE South African Communist Party (SACP) yesterday bemoaned the absence of worker representation on the board of the Government Employees Pension Fund, saying it robbed workers of the right to influence the board's decisions.

The SACP said the fund's investment in the Public Investment Commissioners (PIC) constituted 91% of the R377bn the commissioners managed, and the fund's board of trustees should have been convened six months ago.

The SACP leadership said that the fund did not have a properly constituted board of trustees, and this had resulted in workers' money being used to fund a deal about which they had not been consulted.

The SACP said workers' pension fund contributions should not have been used by the PIC to fund the purchase of a 15,1% stake in Telkom to warehouse it on behalf of a "spurious" empowerment consortium.

SACP secretary-general Blade Nzimande said the party supported the

Congress of South African Trade Unions' (Cosatu's) opposition to PIC's move.

"The priority is creating work and fighting poverty. The sale of the stake is for the enrichment of the few and the elite," Nzimande said at the party's central committee meeting in Johannesburg yesterday.

"Workers' money cannot and should not be used without consultation. It is absolutely essential that in this, and other cases, workers have an effective say on how their savings are used."

However, the fund's spokesman, Hilton Fisher, said there had been a delay in convening the board because of legislative changes to increase its size from 12 to 16. Employers and employees would each nominate eight members to serve on the board.

Fisher said the board should be in place by early next year. "The employer has sent out letters to various departments requesting nominations for trustees."

Nzimande said the PIC's purchase of the stake created a possibility of reviewing how this shareholding could be used to increase the public ownership of Telkom.

The committee also commended the party for its campaign in ensuring that poor South Africans got access to banking services with the launch of Mzansi, the national bank account for low-income earners.

Nzimande said that in 15 working days, more than 100000 accounts had been opened and a total of R35m deposited.

"This is a resounding confirmation of the SACP's persistent but previously dismissed insistence that hundreds of thousands of South Africans have been **unbanked** because of high bank charges and the general inaccessibility of the sector to ... the poor," he said.

On the situation in Zimbabwe, the SACP leadership expressed support for government's efforts to engage Zimbabwe's two major political parties in the search for an agreement on reforms necessary to ensure a free and fair election.

However, the SACP said government should not be seen as the only player in trying resolve the crisis in

that country.