

Thuli Zungu's
CONSUMER LINE



Tel: 011-280-3086 or e-mail zungut@sowetan.co.za or write to PO Box 6663, Johannesburg 2000

PROTECT SECURITY GUARDS

Hundreds of employees do not get their benefits

SECURITY guards will be continuously exploited as long as the Private Security Sector Provident fund, its regulators and fund administrators don't put an end to this.

Consumer line has established that hundreds of contributing employees and their beneficiaries are suffering at the hands of unscrupulous and thieving employers who do not pass contributions to the provident fund after debiting it from employees' salaries.

Muvhango Lukhaimane, the deputy pensions fund adjudicator, says the Private Security Sector Pension fund presents the worst case scenario in terms of employers that do not comply with the Pension Funds Act.

Lukhaimane says the problem is compounded by the administrators board, that is not on top of its duties and the Private Security Industry

Regulatory Authority (PSIRA) that does not seem to have any power to regulate what the employers are doing.

The Private Security Sector Pension fund represents more than half the determinations in the PPA's office in the past financial year, ending on March 30.

"How one pension fund can be responsible for half the workload of the adjudicator's office tells you of the level of non-compliance that is prevalent," said the adjudicator.

This problem is exemplified in the case of Maxima Safe Guard, which owes almost R1-million it deducted from its employees, that it had intermittently passed on to the fund since 2004.

As a result, beneficiaries of the deceased employees do not receive death payouts. Dismissed employees received little or no provident



ON DUTY: Security guards are being exploited by their employers. PHOTO: RICHARD SHOREY

not honoured this undertaking. The non-payment of the employees' provident fund has affected beneficiaries like Anna Nkonyane, who says she only received a portion of her late husband's death payout in 2007.

She received only R25 000 of the R46 000 she expected. She expected a funeral payout of R10 000, but got zilch, she says. Nkonyane, 43, of Qwaqwa, says her children's portion was placed in a trust account and she was told she would earn R300 for each until they completed their schooling, but the allowance stopped in 2011 without an explanation. On inquiry she was told her children's funds were finished.

Consumer Line is in possession of the first acknowledgement of debt in which Hyla Steward in his capacity as a surety and a member of Maxim Safeguard has undertaken to repay R237 707 in respect of the outstanding provident fund contributions owed from April 1 to November 30 2008.

The allegations were confirmed by the companies' shop stewards, Edwin Ngoepe, Sam Mafonisa and Frans Ledwaba who added that their employer was a repeat offender who after repaying the 2004 and 2008 outstanding provident fund relapsed into the same old bad habit.

Ngoepe says the employer transgressed again in 2009.

Private Security Sector Pension fund passed the buck to the employer when asked how they intended resolving the problem. "This is addressed to the employer," responded Jackson Simon, the communication chairperson of the fund.

The employer and the Private Security Industry Regulatory authority had not responded at the time of publication.