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ConCourt to rule on FSB pension billions

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JOHANNESBURG - Close to 4.5 million South Africans are owed billions of rand in pension and provident fund benefits.

Whistleblower and former Financial Services Board (FSB) deputy registrar Rosemary Hunter has taken the board to the Constitutional Court over a cancellation project involving nearly 5,000 unclaimed pension and provident funds.

Thousands of elderly South Africans were left stranded after the FSB established the cancellation project for unclaimed pension and provident funds.

Some of those affected picketed outside the Constitutional Court in Johannesburg on Tuesday, where the case was being heard.

Advocate Geoff Budlender said there were systemic irregularities in the cancellation project, which led to the "likelihood of the prejudice of funds to the members, to the pensioners and to their dependents."

"So the main part of the submission is that there are systemic irregularities."

The FSB denied any wrongdoing.

Its legal team argued that there were no grounds for a further investigation, as called for by Hunter.

"The board's position is that the investigation that Ms Hunter is calling for has taken place. She is not entitled to a bigger or better investigation than the one that has already been undertaken," attorney Andre Vos said.

"Besides that, there is no legal duty or legal principle that she can demonstrate as to why there should be a different investigation to the one that has already been undertaken."

Beneficiary Douglas Maila, 61, said he and his peers were struggling but remained hopeful the court case would bring about relief.

"I have nothing. They [other beneficiaries affected] live under difficult situations and conditions because their money is not in their hands. It is somewhere," he said.

"Also, indirectly, I am affected because I have been on the board of trustees for 15 years for provident funds and there are 30 families whose benefits I know are still lying there unclaimed ... I am expecting the court to maybe apply a moratorium on some of the deregistration of those funds."

Judgment has been reserved in the matter.