

## **MANAGEMENT OF ORBIT TVET COLLEGE CALLS FOR CALM AFTER UNPROTECTED STRIKE BY EMPLOYEES**

**Rustenburg-** The Senior Management of ORBIT TVET College has noted, as a matter of great concern the embarking of a 'go-slow' and unprotected strike by some of its lecturing staff at the Brits and Rustenburg Campuses from Monday, 14 March 2016 against the releasing of their Old Mutual Pension Funds. The illegal strike comes at the wake of the migration by a number of public TVET College employees to the Department of Higher Education and Training (DHET) since 1 April 2015, as set out by an act that was passed in Parliament in 2012.

Prior to the transfer to the DHET, the College had under its employ, a significant number of employees that were paid by the College Council. These employees could therefore not join the Government Employment Pension Fund (GEPF). As a result, the College established a Pension Fund for the benefit of the employees in 2011, which was administered by Old Mutual. The effect of the transfer resulted in all employees that had been previously paid by the College Council terminating their membership from the Old Mutual Pension Fund and join the GEPF.

In contemplation, the DHET issued out a circular aimed at providing guidelines and provisions, through which the termination of employees from the Old Mutual Pension Fund as members should be administered. The circular was communicated to all affected stakeholders, including the employees/members of the OMPF, Management of ORBIT College and Management of the OMPF. The circular was explicit in prohibiting employees from making a cash out of the Pension Fund. It did however provide members of the fund with the following options:

1. Buy back years in GEPF by transferring their accumulated savings to the GEPF
2. Preserve accumulated savings in the Provident fund into a Preservation Provident Fund or into a Retirement Annuity Fund (with no tax impact)
3. Preserve accumulated savings in a Pension Fund to a Preservation Fund or into a Retirement Annuity Fund Remain as a paid up member in the current Provident Fund (if permitted by the Provident Fund rules)
4. Remain as a paid up member in the current Provident Fund (if permitted by the Provident Fund rules).

All affected employees made their choices in line with the contents of the circular, which were then forwarded to Old Mutual by the management team of the college. Old Mutual commenced with yet another process which included appointing a Liquidator assigned with handling the "closing" of the Fund and subsequent transfer of funds in line with choices made. However, Old Mutual did not provide the Liquidator with the completed forms and DHET Circular

Since the commencement of the migration process to the DHET, Management has held several meetings with employees with the aim of keeping them updated and informed with any new information that may have arisen regarding the conclusion and termination of the Fund.

Another meeting with the affected employees, appointed Liquidator of the fund, an Old Mutual representative, DHET representatives and Management took place on Friday, 18 March 2016 to address concerns of affected employees. The meeting took place at the Rustenburg Campus at 10:00. The concerns were duly addressed with Old Mutual confirming and apologising that they had made an administrative error by not providing the Liquidator with the original choice forms and the DHET Circular and that they will ensure that everything possible is done to complete the process taking the original choice made by employees into consideration.

“The Management of the College wishes to state that it has up to this far duly complied with all lawful instructions set out by the DHET. And as a responsible Management team, we are tirelessly working around the clock to ensure a speedy resolution of the matter for all parties concerned, especially our employees and most importantly the students”, said Deputy Principal: Corporate Services, Mr Solly Matjiane

“Our mandate as a College remains ensuring that there is a continuous flow of teaching and learning, which is the core business of the College”, Matjiane added.

**All tests and assessments that were expected to be written on Wednesday, 16 March 2016 and Thursday, 17 March 2016 at all affected campuses, have been postponed until after the recess.**

---

For all media enquiries, please contact the *Deputy Principal for Corporate Services, Mr Solly Matjiane*

**Tel no.: 014 597 5533**

**Email: [smatjiane@orbitcollege.co.za](mailto:smatjiane@orbitcollege.co.za)**