

## Fund Department

## Fund Section

### Monthly Statistical Returns

Employers are required to submit monthly returns which contain a list of their employees with their respective graded tax numbers, sex and years of birth. Some employers have, however, continued to submit monthly returns without the required information on their employees during the period under review. In such cases the Fund has been allocating the affected employees with temporary numbers, after attempts to obtain the graded tax number have failed.

The use of temporary numbers is not appropriate as it has the potential of having the member's contributions under such not linked to the owner. The temporary numbers can be identified by the prefixes 900, 800 and 860 it is a ten-digit number. The employers are urged to ensure that the returns submitted to the Fund have all the required details.

### Benefits Payment Section

#### Number Of Claims Paid Over The Last 5 Years

Year	Surv.	Retire.	Age	Inval.	Emig.	Suppl.	Refund	Total
2003	1231	697	3085	155	11	51	167	5397
2004	1261	684	2770	192	12	35	160	5114
2005	1376	669	2806	272	10	84	127	5344
2006	1120	801	3088	417	14	51	70	5561
2007	1292	848	3337	293	14	198	67	6049



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#### Value Of Benefits Paid Over The Last 5 Years

Year	Surv.	Retir.	Age	Inval.	Emig.	Suppl.	Ref.	Total
2003	5,665,815	4,703,406	14,749,796	852,697	50,056	382,087	139,369	26,543,176
2004	6,018,636	4,464,674	14,531,974	1,223,573	60,418	272,296	102,687	26,647,258
2005	6,570,864	4,584,883	15,530,289	1,887,426	54,812	437,667	87,327	29,153,268
2006	6,750,293	6,122,152	17,580,459	3,352,115	68,070	313,494	138,346	34,324,929
2007	7,967,617	6,842,342	20,523,672	2,126,811	83,106	2,121,512	128,730	39,793,790

### Increase Analysis

The total value of benefits paid increased from E34,324,929.00 to E39,793,790 during the year under review, representing an increase of 16% compared to the previous year's figure.

The increase was attributed to the general increase in the number of claims paid, which increased by 488 in relation to the previous year's figure. The main affected claim types in this increase are as shown hereunder.

- (i) **Supplementary** - increased by 577% translating to E1, 808,018 when compared to the previous year's figure. This increase was attributed to the general increase in the value of claims paid in this regard.

- (ii) **Survivors** - increased by 18% translating to E1, 217,324.00. The effects of the HIV & AIDS epidemic seem to have continued to influence the increase in this regard.
- (iii) **Age** – the number of claims increased by 249 with a corresponding value of E2, 943,213.00 representing 8% and 17% respectively, compared to the previous year's figures.

## Compliance Section

This Section of the Fund deals with the registration of all employers in the country, large and small so that they contribute to the Swaziland National Provident Fund Scheme on behalf of their employees, in terms of the provisions of the Swaziland National Provident Fund Order No.23 of 1974, and the Regulations made thereunder. Other prime functions of this Section are the education of employers and employees on the purpose and operations of the Fund, and the inspection of businesses to ensure their compliance with the Order.

### Payment of Statutory Contributions

The Compliance position as at 30<sup>th</sup> June 2007 was as follows:

Active Employers	Up-To-Date Employer Accounts	Defaulters	% Compliance	% Delinquency
4976	2631	2345	52	48

The Fund has since embarked on strategies to reduce this delinquency rate significantly.

### Criminal proceedings against defaulting employers

The Fund maintained the prosecution of defaulting employers during the year under review and the following table highlights the results achieved over the past 5 years.

#### Police/Court Cases

Year	Cases	Amount Recovered (E)
2002/2003	31	248,995
2003/2004	15	115,267
2004/2005	2	18,206
2005/2006	25	255,902
2006/2007	3	219,100

### Employers who went into liquidation

One employer went into liquidation during the reporting period and the following table highlights the position over the past 4 years.

### Liquidation Cases

Year	Cases	Amount Involved	Amount Since Recovered	Year Recovered
			<b>E</b>	
2003/2004	6	1,325,687	33,874	2005/2006
2004/2005	-	-	-	
2005/2006	1	85,240	Still pending	
2006/2007	1	125,450	Still pending	

### Employer Registration and Closure of Businesses

Seven hundred and thirty four (734) employers registered with the Fund as contributing employers during the reporting period, compared to four hundred and thirty-five (435) in the previous year. This huge increase in the number of employers registering with the Fund could be attributed to the fact that with effect from January 2007 proof of compliance with the S.N.P.F. Order No. 23 of 1974 was incorporated into the requirements for trading licences renewals. Businesses that ceased trade operations in Swaziland amounted to forty (40) compared to one hundred and seventy- three (173) the previous year.

### Employer/Employee Training Seminars/Workshops

During the year of reporting, Seminars/Workshops were held at the following organizations:-

Organization	Number Of Participants
Nazarene Headteachers &	150
Swaziland Breweries	175
Fiborg	375
Bhekephi Primary School	186
Swaziland Schools and Allied Secretaries Association	143
Tuntex	15
SSHA Of Manzini	235
EkuVinjweleni Farmers Ass.	45
HWBO	175
<b>TOTAL</b>	<b>1499</b>

### Regional Distribution Of Active Employers

<u>Region/province</u>	<u>Number Of Employers</u>
Gauteng	73
Northern Cape	1
Eastern Cape	2
KwaZulu Natal	5
Northlands 2116 R.S.A.	1
Manzini	2396
Hhohho	2224
Lubombo	356
Shiselweni	276
<b>TOTAL</b>	<b>4976</b>