

Transnet faces R80bn claim from pensioners

A South African court on granted two pensioners permission to launch a multi-billion-dollar legal action against state-owned logistics company Transnet, which they accuse of stripping their retirement funds.



Judge Ephraim Makgoba has granted the right for a class-action worth a potential R80bn to be brought against Transnet by its pensioners.

Image: [Travel Agent Central](#)

According to Sapa, the High Court in Pretoria said Johan Kruger and Johan Pretorius could take class action against Transnet on behalf of 62,000 retirees who are seeking to recover nearly R80bn in assets and interest.

Transnet, which owns and operates most of the country's rail networks, ports and petroleum and gas pipelines, is accused of mismanaging the assets of two pension funds to the extent that beneficiaries received small payouts.

The situation was so severe in some cases that pensioners received as little as one rand a month, leaving many destitute.

Around 80% of Transnet's pensioners earn less than R4,000 a month. Judge Ephraim Makgoba gave the two pensioners 60 days to launch their case.

If the case succeeds, the retirees could wipeout the company's annual income, which grew 12.8% to R56.6bn in the first half of 2014.

Transnet spokesman Mboniso Sigonyela told AFP the group would only comment after it studied the court's decision.

Source: AFP via I-Net Bridge

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