



The Leading Edge

SANLAM EMPLOYEE BENEFITS

Guiding you through the changes in the Retirement Industry

To stay ahead and manage funds effectively you need the best information and analysis available. The retirement industry in South Africa is in a state of change and thus Sanlam Employee Benefits is perfectly placed to offer guidance and education to all those in the industry during this time.

CONTENTS

Introduction	2
Policy analysis	3
Survey Results	8
Summary report	20

This comprehensive survey provides an essential tool for the management of retirement funds and constitutes a benchmark for all stakeholders to measure their funds against the latest benefit trends



Deon Booysen



Elias Masilela

INTRODUCTION

Sanlam Employee Benefits takes pleasure in publishing the findings of the latest annual survey on retirement funds in South Africa. This comprehensive survey provides an essential tool for the management of retirement funds and constitutes a benchmark for all stakeholders to measure their funds against the latest benefit trends. Furthermore, within the context of pension reform, it provides an opportunity for industry participants to consider the reforms within an empirical context.

For the first time in 27 years this analysis is aimed at simplifying and putting the results of the 2007 Sanlam Survey into a policy context. Whilst the survey is widely distributed across the industry, as well as the rest of the economy, it has not been accessible to the level originally envisioned. Given its density and the level of quantitative detail, people have failed to optimally interpret the results into their respective circumstances. In particular, its policy relevance has not been fully appreciated. In order to bridge this gap and to render the survey more accessible, Sanlam has extended the analysis to take account of the policy implications of these results.

In light of these results, the analysis attempts to elevate some of the key issues that have been found to be pertinent in their own right and in the context of the second social security and retirement reform paper published by the National Treasury in February 2007.

We extend our sincere thanks to the principal officers for participating in the survey. Your contributions have made the compilation of this benchmark publication possible.

This year, the survey analysis has been extended to take account of policy developments and deepen the reader's appreciation of how the survey impacts on the average person and his or her future savings. This perspective has been made even more relevant by the reform proposals on Social Security and the Retirement Environment.

We also thank our colleagues, Bernadine Petersen (Member Communication), Annarita Wagner (HIV/Aids and Risk Benefits), Danie van Zyl (Investments) and Rob Baker (Investments) for assisting with reviewing the questionnaire, studying the data and formulating the findings of the results.

Deon Booysen

EXECUTIVE HEAD: CLIENT SOLUTIONS
SANLAM EMPLOYEE BENEFITS

Elias Masilela

CHIEF STRATEGIST: FINANCIAL SECTOR DEVELOPMENTS
SANLAM EMPLOYEE BENEFITS

POLICY ANALYSIS

Retirement environment and developments

The 2007 survey took place in an environment of heightened expectations about pension reform, as informed by the 2004 National Treasury discussion paper. The release of the results neatly coincided with the second discussion paper released in February 2007. Completely unexpected, the second paper emerged with a significantly expanded scope for the reform of South Africa's retirement landscape.

The second paper came up with a surprisingly enhanced fiscal stance when compared to the first one. It would seem the original conception was to have a reform that would have minimal impact on the fiscus, but rather significant improvement in the regulatory environment. This thinking was adjusted significantly, when considering the latest against the 2004 paper.

Key changes can be viewed as follows:

- Government has significantly upped the stakes with the scrapping of Retirement Fund Tax (RFT). This has enhanced its moral high ground, which throws the ball into the court of the private sector to edge the reforms forward. This removes the key and probably only criticism that government has been suffering over the years, as this tax was viewed as one of the significant contributors to 'leakage' from the system. The remaining source of leakage can easily be attributable to how the private sector does business. This is a major challenge for the industry.
- This has effectively shifted the tax regime to an exempt-exempt-tax (EET) environment, which is particularly poignant for signalling the intentions of government, namely that of increasing national savings through higher individual savings. This is a tax environment that exempts a taxpayer from paying tax at the stage of allocating his or her income to a retirement fund as well as the income earned from the investment of those funds. However, tax is payable at the point the taxpayer withdraws the money for expenditure purposes. Clearly this is important if the control is to stimulate sustainable investment and growth.
- Government has uniquely identified the need to use all available instruments to increase savings. In this case, it has chosen to use both 'a stick and a carrot' approach to move the economy in this direction. This it intends achieving through the introduction of mandatory participation side by side with tax incentives.



- Another unique feature is an attempt to lean towards enhancing the benefits to the low-income earner without detrimentally reducing benefits that accrued to the middle to high-income earner.

The sum total of these changes would be to:

- provide for retirement without risking job creation, which remains the key solution to poverty reduction in this architecture;
- create more competition among service providers to try and influence a change in the way in which they do business; and
- benefit the saver in the long term.

The challenge the industry is faced with is how service providers will be able to continue operating in this new dispensation without losing business and some even folding up. There are a few challenges that we have to contend with, namely:

- Given the conspicuous emphasis on the need to achieve cost efficiency in service provision, how does the industry raise its play to live up to this expectation?
- Establishing the Social Security Fund, effectively poses a new level of competition, which the industry has to contend with.

Finally, it is instructive to note that the proposal recognises the importance of the private sector in the current and future dispensation, which means government would not go out on a limb to destroy the industry. The private sector is critical in the completion of the multipillar framework. Besides, it has been an important aspect of South Africa's economic structure. The financial sector in South Africa is an essential national asset that needs to be preserved, despite the changes.

It is instructive to mention that the results of the 2007 survey will be a notable contribution to the debate that will unfold among South Africans over the next year or so. As a direct consequence, we structured the analysis to coincide with and contribute to the engagements that have started across the country.

This year's survey report has two parts. This is the first, which deals with the broader interpretational issues as they are influenced by current and future policy changes. The second part provides the reader with an analysis of the survey results. The two parts are congruent, which allows the reader to directly link the policy interpretation with the analysis of the results.

A select number of key issues, which have been identified as requiring attention, are highlighted on the next page.



Governance

This is an important aspect in the debate of trying to improve the quality and effectiveness of trustees and the choice of professional or non-professional trustees. Whilst this specific choice is not a major source of concern for the reform papers per se, it is sufficiently important to note that the Treasury is concerned about broader fund governance with respect to trustee and standards of conduct. The 2007 paper proposes "...a more systematic and consistent approach to trustee training...".

It is important to note that the issue of professional trustees is contentious, as organised labour feels it erodes their hard won battle to have member representatives on the boards of trustees. They also view the suggestion as one that seeks to exclude members from participating on boards of trustees.

The Treasury paper indicates government's level of concern with respect to governance. One of the indicators of good governance is the issue related to gift policy. Whilst this is not a conclusive indicator in its own right, it is a good signal to the appropriateness of governance among funds. The trend reveals that funds are increasingly moving in the direction of establishing gift policies and also leaning towards disallowing gifts.

Given the concern on objectivity and the independence of trustees, this issue is extremely important. The results show that the problem is still significant and Treasury needs to worry about how, if at all, this behaviour is regulated. It also means that service providers will have to concern themselves with how they engage trustees and the philosophy behind giving gifts may have to be more objective.

Related to this issue, is the matter of remuneration of trustees. The survey shows that the majority of funds do not pay trustees. Where trustees are remunerated, the rates are pitched mainly at compensating for costs associated with attending meetings.

Training

Clearly, with the ushering in of a new era, with members having to deal with individual accounts and being exposed to the defined contribution environment, it becomes imperative that their knowledge of retirement funding is enhanced. This objective will rely significantly on proper training. Currently training focuses on trustees as this is where the need is deepest and the risk biggest in terms of fund management. Looking ahead, such training will have to be broadened, as every beneficiary will have to know what is happening with his or her investment and this will require a higher level of participation

Underlying the achievement of most of these objectives of enhancing governance, is the development of a corps of

well-trained trustees, who are independent – driven by principle and objectivity. If we cannot consider the route of professional trustees, we probably want to concentrate on training member trustees to raise their level of participation. The debate about who should provide the training is intensifying. The Treasury has no strong view on this, but organised labour has. For some time now, organised labour has been concerned about the objectivity or lack of service providers. As a result, their preference is not for service providers to offer training.

It does not matter what the view is out there, training cannot be stopped whilst the decision is being made. In the meantime, it is incumbent upon government to ensure that training takes place in an objective environment. This can be realised if some form of standardisation of the training takes place.

The results show that despite organised labour's preference that training should be provided by institutions other than service providers, service providers are still conducting the majority of trustee training. It can be objectively argued that this pattern will continue for the foreseeable future.

In the light of the reforms, training should be extended well beyond trustees to include all beneficiaries/members. It will be a serious indictment on every industry player to continue restricting the training to trustees whereas the risk burden will have notably shifted.

Cost of administration

Costs remain an area of deep interest for both the private and the public sector. The reform process in South Africa is fundamentally based on increasing access to low-income earners, through among other interventions, cost reduction. Results of the survey show mixed signals with regard to the success of the industry in bringing down the costs of providing services.

One of the key observations is the close correlation between the management of HIV/Aids by employers and the cost of risk benefits. There is no doubt that a coordinated programme towards the management and reduction of the impact of Aids will continue to assist in bringing down the cost of provision.

The number employers who have implemented an HIV/Aids programme are significant and the programmes are quite diverse in terms of their forms. As a result of these interventions, the bulk of funds (56.5%) feel there has been no change in the costs of risk provision over the past two years.

With regard to the costs of fund administration, we observe a bias towards costing this service as a percentage of members' salary, as opposed to a per cent of assets or even a flat rate.

Socially responsible investments (SRIs)

Given the social and economic structural backlogs in South Africa's economy, the level and participation of investment funds in SRIs remain embarrassingly poor.

The reform process proposed by government brings about a possibility for dealing with this dismal performance in a more determined and structured manner through the envisaged national fund. There is no doubt that such a fund would have the requisite asset base, clout and credence to undertake this responsibility. The PIC has been able to display the power and effectiveness of SRI, both from a financial and a social viewpoint. It is clear that the private sector is failing in this regard. However, there could be other forms of intervention that government could consider to increase participation by private sector funds.

Thinking ahead, the government is focusing on setting up a technical working group to advise it on the following:

- quantitative limits for various asset classes, including derivative instruments;
- an appropriate definition of socially responsible investment (SRI) in the South African context and its interaction with existing initiatives such as the Financial Sector Charter;
- how SRI should be actively encouraged; and
- the scope for shareholder activism in South Africa and the duties this would specifically entail for the relevant stakeholders.

The second and third bullets are policy areas highlighted in last year's symposium.

Communication

With the shift in philosophy to individual accounts, which is going to be underpinned by defined contribution principles, the 2007 paper further elevates the role of communication with members. This refers to and impacts the legal/governance relationship among the trustees, the principal officer and the members. As expected, the survey reveals that a substantial part of the communication with members is through the principal officer.

It is encouraging that the legal status of principal officers will be enhanced. This decision can only be correct, as it ensures that accountability is optimised on the ground, allowing boards of trustees to increase their focus on the strategic development of funds.

These are some of the key observations arising out of the 2007 Sanlam Survey. Clearly much more can be drawn from the results but it was not possible to analyse all the policy implications arising from the survey findings. In this regard we strongly recommend that readers study the survey, as well as the latest policy reform proposals, with the aim of anticipating the complexity or otherwise of implementing the reform.

The next section looks specifically at the results.



SURVEY RESULTS

Defined contribution funds

Methodology and sample

The 2007 Sanlam Survey was conducted among principal officers of retirement funds. Respondents were selected at random to represent small (<100 members), medium (100-500 members), large (501-5 000 members) and very large funds (5 001+ members) in South Africa. These included pension and provident funds structured on a defined contribution basis, as well as umbrella funds.

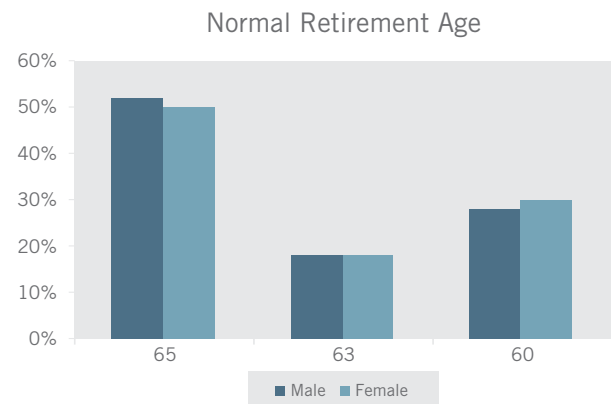
The survey was conducted by the independent market research agency BDRC, by means of face-to-face interviews. The survey recorded a 100% response rate with a total of 200 funds responding. This is indicative of the positive attitude and willingness to participate in shaping the future of South Africa's retirement environment.

The research was conducted under the SAMRA (South African Marketing Research Association) Code of Conduct and all information gathered is held in strict confidence. All respondents remain anonymous and only the aggregated results of the survey have been reported on.

The graph shows the distribution of normal retirement age for 2007.

Respondents were selected at random to represent small (<100 members), medium (100-500 members), large (501-5 000 members) and very large funds (5 001+ members) in South Africa

The graph shows the distribution of normal retirement age for 2007



Fund governance

Just less than half of the defined contribution (DC) funds appointed a board consisting of six trustees or less – this is quite similar to the 2006 figure.

It is estimated that 86% of funds do not remunerate trustees. 1% of the funds surveyed pay a rate per hour and 3% pay a rand amount per meeting. Comparing the status of umbrella funds versus other funds, it was found that owing to the nature of the umbrella arrangement, incentivisation is more prevalent in this part of the industry. A much lower proportion of 45.2% of umbrella funds do not remunerate trustees, as opposed to 93.5% for other funds.

A notable 56% of funds have a policy on accepting gifts, up from 44% in the 2006 survey. Of these, 54% (2006: 44%) do not allow trustees to accept gifts, whilst 15% (2006: 10%) may accept gifts of any amount but must make full disclosure. 22% (2006: 13%) may only accept gifts below R250 and 5% (2006: 7%) may only accept gifts below R500, provided full disclosure is made.

Training

In the survey 43% of funds indicated that their trustees receive training from their administrator, 41% from their fund consultants, and 14% from independent trustee trainers. Note that the above percentages are not mutually exclusive, as trustees could receive training from more than one party. However, it clearly reveals that service providers to the funds currently perform most of the training.

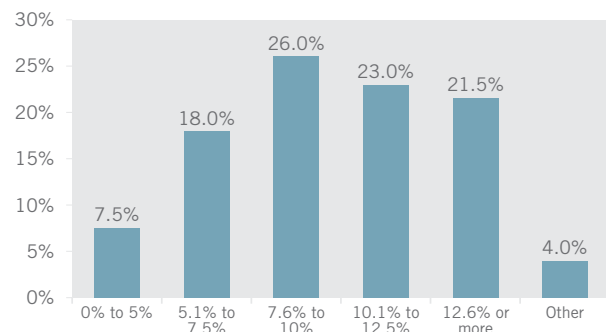
The most popular frequencies for training provided by fund consultants are quarterly (32%) and annually (31%). The most popular frequencies for training by administrators are also annually (29%) and quarterly (28%). Most of the training provided by independent trustee trainers occurs annually or less frequently.

Contributions

54% of funds indicated that the employer's remuneration package is based on a total cost to company, broadly in line with the 57% in the 2006 survey. 21% of the balance is contemplating such a structure.

*The average employer contribution is 9.67%.
This is down from 9.95% in the 2006 survey*

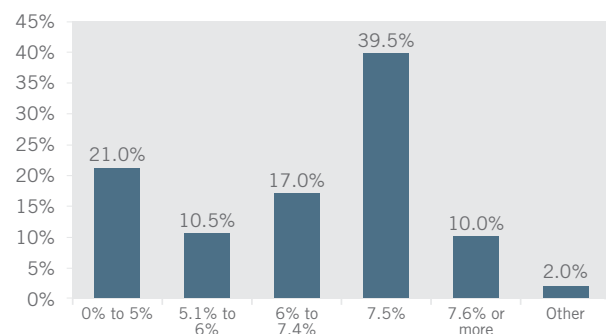
Employer Contributions



The average employer contribution is 9.67%. This is down from 9.95% in the 2006 survey.

The average employee contribution is 5.5%, down from 5.95% in 2006

Employee Contributions



The average employee contribution is 5.5%, down from 5.95% in 2006.

The average fixed cost per member is R29

*The total cost of administration is between 0.5% and 1% of payroll for 32% of funds.
The average cost is 1.0%, down from 1.2% in 2006*

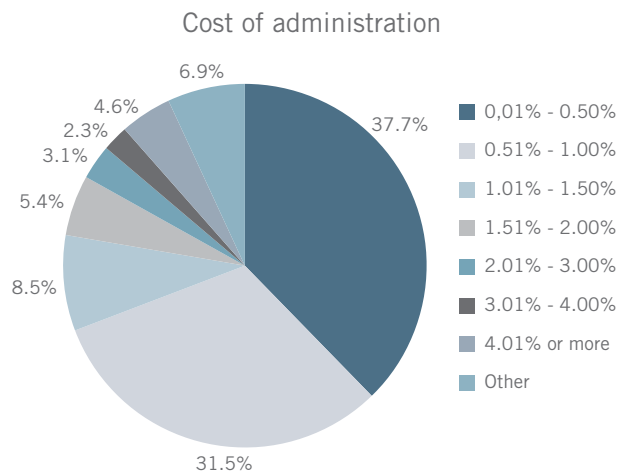
Cost of administration

About 55% (2006: 57%) of funds stated that their administrator bills separately for each item. 29% (2006: 21%) pay administration fees including all expenses, and 14% (2006: 14%) pay additional expenses not specified in the administration agreement. Meanwhile, 51% (2006: 51%) of funds do not operate a contingency reserve account. Of those that do, 23% (2006: 32%) fund the reserve by way of a deduction from employer contributions, while 23% (2006: 16%) express their contribution to the reserve account as a percentage of the administration fee. About 65% of funds are billed as a percentage of salary, as opposed to 60% in 2006. Only 17.5% (2006:17%) are charged on a fixed cost basis per member, whilst 8% (2006:10%) are billed as a percentage of assets. The average fixed cost per member is R29. The fixed-cost approach implies the lowest level of cross-subsidy, but this is one instance where cross-subsidy may be preferred.

The total cost of administration is between 0.5% and 1% of payroll for 32% of funds. The average cost is 1.0%, down from 1.2% in 2006.

It should be noted that fixed costs weigh more heavily as a percentage reduction on small salaries and have a much smaller effect on large salaries. Funds that use this method of cost recovery lose any cross-subsidies between higher paid and lower paid workers. Therefore, the effective reduction in yield to lower paid workers is proportionately higher than that of the higher paid workers.

The distribution of cost as a percentage of payroll is as follows:



The cost of the average death benefits under a fund is 1.76% compared to last year's average cost of 1.9%. The decrease in cost is even more substantial for disability benefits, with the average cost reported as 1.12% compared to the previous year's 1.4%

The majority of funds provide lump-sum death benefits

Retirement benefits

About 79% of the retirement funds surveyed allow retiring members to purchase an annuity product of their choice (up from 71% in 2006), with 6% of funds stipulating conditions for purchasing living annuities. Only 11% of retirement funds stipulate that the pensions must be purchased in the name of the fund (10% in 2006).

Withdrawal benefits

On withdrawal, 17% of funds allow members the option of a deferred pension (down from 18% in 2006). About 94% stipulate that the member must take a cash benefit or transfer to another fund. Meanwhile, 59% of funds provide their members with the information recommended in PF86 (up from 50% in 2006). A further 36% of funds arrange for an adviser to counsel members on withdrawal.

Risk benefits

According to the respondents, the average cost of risk benefits has decreased over the past year. The cost of the average death benefits under a fund is 1.76% compared to last year's average cost of 1.9%. The decrease in cost is even more substantial for disability benefits, with the average cost reported as 1.12% compared to the previous year's 1.4%. For risk benefits provided under a separate scheme, the average cost is approximately 1.8% of salaries for death benefits, and 1.1% of salaries for disability benefits.

There has been a slight increase in flexible benefit offerings over the past four years, with 19% of respondents indicating flexible benefits in 2007 compared to 15% in 2006 and 8% in 2004. Those with flexible benefits have an average total risk cost of 2.66% of salary.

As the previous survey has shown, more than 40% of the funds cap their risk benefits. The average reduction in risk cost is also apparent in the capping of risk benefits. Where capping is applied, the average death benefit is capped at 2.1% of salary compared to 2.7% in the previous year, whilst disability is capped at 1.86% on average compared to 2.3% of salary in 2006.

Death benefits

The majority of funds provide lump-sum death benefits. According to the 2007 survey, those providing spouse's pensions have decreased from 20% last year to 18% and those providing children's pensions also decreased from 17% in the previous study to 13%.

Most of the funds providing spouse's pensions provide a lump-sum death benefit of 2 to 3 times salary. Funds without a spouse's pension provide a lump-sum death benefit of 3 times salary.

As with the previous survey, one third of the respondents provide death benefits under a separate scheme, of which the average death benefit is 3.6 times salary. This is slightly higher than in 2006.

40% of the death benefit paid includes the member's equitable share

The majority of funds provide income disability benefits expressed as 75% of salary

About 37% of the costs under separate schemes are deducted from the employer contribution, indicating a slight increase from 2006, with 37% of employers making additional payments.

40% of the death benefit paid includes the member's equitable share. This has decreased since 2006, when 48% of the funds included the equitable share.

Of those offering flexible death benefits, the average minimum level of cover is 2 times salary. This is slightly higher than the 1.8 times reported in 2006. For those able to choose additional levels of cover, the average is 4 times salary.

In the past year 58% of respondents provided death cover to minors. Over 40% of the funds set up a trust, paid the trust or appointed a legal guardian to provide benefits to minors.

Disability benefits

In the 2007 survey, 45% of respondents indicated that they provide a lump-sum disability benefit. This is lower than the 2006 result of 50%.

The average multiple provided is 2.4 times salary. This has decreased since 2006, when the average multiple reported was 2.7 times salary.

Since the 2006 survey, there has been a slight shift from providing lump-sum disability income benefits to providing permanent disability income benefits. In 2007, 40% provide a permanent disability income compared to 38% in 2006, 6% provide a lump sum only (12% last year) and 4% a lump sum and permanent disability income combined (6% last year).

35% of respondents provide a temporary disability income benefit compared to the 38% in the previous year.

The majority of funds provide income disability benefits expressed as 75% of salary.

Most respondents providing disability benefits allow for increases in these benefits. About 22% indicated that they increase benefits by fixed percentages according to the rules, 22% increase their benefits linked to CPI with a fixed maximum cap and 28% increase their benefits linked to CPI with no maximum. The average fixed percentage used is 5%.

A further 35% of respondents use a reinsured waiver of employer contributions with the average reinsured percentage being 8.2%.

Only 12% of respondents reinsure the waiver of employee contributions, where the average reinsured percentage is 6.4%.

Other benefits under separate schemes

Only 6% of the respondents offer trauma (critical illness) cover under a separate scheme and 54% offer funeral cover. These percentages are slightly higher than in 2006.

Of those offering trauma benefits, 75% of employers pay the cost with 1 times salary being the most popular level of benefit.

Of those respondents indicating that they offer funeral cover benefits, 94% also offer benefits for children and 19% offer benefits for the extended family.

The most popular funeral benefit remains either R10 000 or R5 000 for the main member, spouses and children aged between 14 and 21. For children aged between 6 and 13, the most popular level of cover is R5 000, and R2 500 for children under the age of 6. For parents and parents-in-law, 32% receive a funeral benefit of less than R4 000, whilst 40% of the additional spouses receive a benefit of R10 000.

For the majority of respondents offering funeral benefits the employer meets the costs.

HIV/Aids

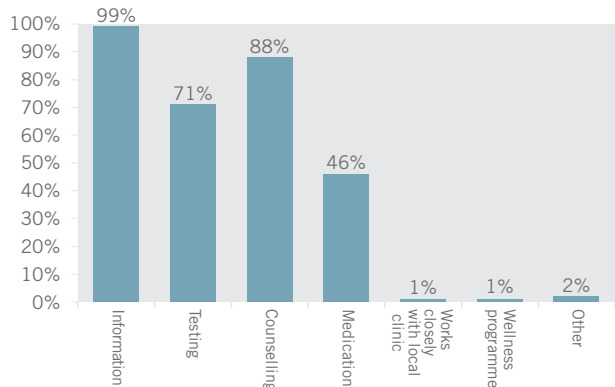
HIV/Aids remains an important factor that employers should consider. Not only does the epidemic have an enormous impact on the productivity levels of employees, it also contributes to increasing risk costs. One of the key observations is the close inverse correlation between the management of HIV/Aids by employers and the cost of risk benefits. There is no doubt that a coordinated programme towards the management and reduction of the impact of Aids will continue to assist in bringing down the cost of provision.

Aids management programmes

Employers are becoming more concerned about the impact of HIV/Aids on their employees as 70% of respondents indicated that Aids management programmes have been implemented over the last two years. This is almost a 20% increase since the 2006 survey.

Almost all the management programmes entail providing information and creating awareness regarding the epidemic and the majority provide counselling and testing. Less than half of the management programmes include medication.

The graph below sets out the various Aids management programmes showing their relative popularity.



Almost 43% of the DC funds surveyed offer member-directed investment choice, which is approximately the same as in the 2006 survey (44%)

Multimanager options are more popular than single-manager options across the conservative, moderate and aggressive risk profiles.

The practice of charging all members the same administration fee, irrespective of whether they want or use member-directed investment choice, is still widespread

Cost of group life and disability benefits

Over half of the respondents have not experienced any increase in risk costs as a result of HIV/Aids over the last two years. Interestingly, 15% of the respondents indicated that their risk premiums have decreased as a result of HIV/Aids. In the case of those who believe their risk costs have increased due to HIV/Aids, more than 80% have indicated an increase of up to 15%, with the average increase slightly less than 11%. This is marginally higher than the previous survey results.

About 44% of the respondents believe that the cost of their risk benefits will increase over the next two years. This figure has remained fairly stable since our last survey. The average expected increase is 8.6%, notably above expected inflation.

Investments

Almost 43% of the DC funds surveyed offer member-directed investment choice, which is approximately the same as in the 2006 survey (44%). There has been a significant increase in the number of funds offering a life-stage solution, from 5% in 2004 to 39% in 2006 and 54% in 2007, possibly reflecting the equity bull market. Smoothed-bonus products and structured products have shown a steady decline since 2004, with the decrease in the number of funds offering fully vesting options being particularly dramatic (from 45% in 2004, to 35% in 2006 and 29% in 2007).

Multimanager options are more popular than single-manager options across the conservative, moderate and aggressive risk profiles. Unit trust mandates have shown steady growth in popularity from a small base. Absolute return mandates with an inflation target of plus 5% or less have grown in popularity, whilst absolute return mandates targeting more than 5% have fallen in popularity.

Investment policy statements

There has been an increase in the number of funds that use Investment Policy Statements, from 44% in 2004 to 67% in 2006. About 64% of funds review the Investment Policy Statement on an annual basis.

Member-directed investment choice

The practice of charging all members the same administration fee, irrespective of whether they want or use member-directed investment choice, is still widespread – 91% of funds are charging a flat fee (up from 82% in 2006). Only 3 funds indicated that members who do not exercise their option to choose their own investments pay a lower administration fee.

Of the funds allowing members to choose their own investment options, most allow members to change their choice either monthly (40%) or annually (17%).

Smoothed-bonus products were rated the best at providing stable returns

Smoothed-bonus products were rated the best at providing guarantees on benefit payments

Most funds (42%) compare against a CPI+% benchmark.

Almost 89% of funds are either satisfied or very satisfied with their investment choices. The main benefits are seen as:

- the variety of choices (38%)
- investments comparing well with their benchmarks (29%)
- member satisfaction (15.6%)

Stable returns and guarantees

The vast majority of funds (85%) consider the ability of a product to provide stable investment returns as either important or very important. Smoothed-bonus products were rated the best at providing stable returns followed by structured products and cash. The investment returns of absolute-return portfolios were considered less stable than the above.

The majority of funds (62.5%) also consider the guarantees provided by products to be important or very important. Smoothed-bonus products were rated the best at providing guarantees on benefit payments followed by cash. Structured products and absolute-return portfolios were considered to provide less of a guarantee on benefit payments.

Feedback on investments

Nearly all funds (93.5%) provide investment feedback to members (up from 87% in 2006). The frequency of providing members with investment feedback has increased as follows, with quarterly feedback now being the most popular:

Investment feedback frequency	2006	2007
Daily	5%	4%
Weekly	1%	-
Monthly	14%	18%
Quarterly	31%	37%
Half-yearly	8%	13%
Annually	40%	28%

The most popular form of feedback on investment performance remains written notification (72% of funds) followed by internet/intranet (36%). Many funds (38%) do not provide feedback on investment returns versus the benchmark return.

Benchmarks and returns

When comparing their fund's investment performance, most funds (42%) compare against a CPI+% benchmark. Comparison against the investment mandate benchmark (40%) and survey peer group (33%) is also common. Very few (less than 1%) use a JSE All-Share benchmark.

A dismally low 10.5% of funds have a policy to invest a proportion of assets in Socially Responsible Investment portfolios. This is slightly up on last year's 9%

As many as 65% of funds use an intranet/internet facility to provide members with access to information

Most of the respondents who knew their fund's investments returns reported them to be between 20% and 30%, with the most common range being between 25% and 30%. This is slightly less than the median return on global balanced portfolios, of about 31.5% during 2006.

There was one fund that reported investment returns of less than 5% in 2006. Unlike last year, no funds reported investment returns of more than 40%.

Socially Responsible Investments

A dismally low 10.5% of funds have a policy to invest a proportion of assets in Socially Responsible Investment portfolios. This is slightly up on last year's 9%. With regard to umbrella funds, virtually no fund has such a policy.

Member communication

The majority of funds (93%) provide an annual benefit statement, whilst 70% provide a rule booklet to communicate with members. About 42% of funds supply an annual trustee report and only 33% a membership certificate. The trend in member communication seems to have stabilised.

Topics such as the benefit structure (88%), investment performance (88%), how the fund operates (77%) and the annual benefit statement (73%) are most frequently communicated to members.

The majority of funds stated that the administrator (58%) responds to retirement fund queries of their members. The human resources department (54%), the trustees (49%), the principal officer (52%) and the retirement fund consultant (33%) also tend to members' queries. More funds have a formalised strategy for rendering financial advice to members, up from 49% in 2006 to 59% in 2007. As many as 82% of these indicated that a worksite adviser provides financial advice to members, while 41% indicated that members also consult their own advisers/brokers.

A greater percentage of funds with a formalised strategy claim they provide financial advice on a one-to-one basis in the event of withdrawal, disablement, retirement or death. A regular annual discussion with groups of employees tends to be more popular than a one-to-one discussion, as about 50% of funds provide financial advice using a group discussion strategy. Funds believe that 93% of senior staff understand more than half of the information provided, compared to only 50% of the rest of staff.

As many as 65% of funds use an intranet/internet facility to provide members with access to information – a moderate increase of 10% since 2006. 61% of fund members have direct access to an intranet/internet facility and 12% via the HR or similar office.

The internet is mostly used to provide investment portfolio information (70%), fund rules (67%), a member booklet



38% of funds rebroke their administration on an annual basis

(60%) and investment returns (47%). Personal information such as a monthly updated member benefit statement (60%), personal particulars (58%) and an annual member benefit statement (55%) is typically available.

About 38% of funds allow members to update personal information online, whilst 27% allow investment switches. Only 15% of funds (down from 25% in 2006) use the internet to update member data on a monthly basis.

As many as 68% of funds provide training and support via the internet/intranet. Of these, 30% use a modeller and calculator to calculate retirement needs of members and/or basic investment alternatives.

Almost 60% of funds are likely to consider paying more for financial education to be provided to members.

Only 19% of funds provide home loans to members directly, 48% provide housing sureties whilst 36% provide neither. These results are similar to those in 2006.

Topical issues

A qualitative research phase was implemented as a guide to the development of the questionnaire and to ensure that the quantitative survey remains relevant, current and forward looking.

The key objectives for the research study were to:

- explore the developments and recent trends shaping the South African pension fund industry;
- identify key issues that are relevant to market shareholders at present; and
- investigate industry matters that are likely to be 'hot topics' in the next two years.

In terms of the methodology used, 10 one-hour face-to-face interviews were conducted with financial intermediaries (who consult to retirement funds) and 20 with retirement funds, of which 10 were with principal officers (with retirement funds) and 10 with trustees. Six employee-appointed trustees were interviewed. The interviews were split evenly between Johannesburg and Cape Town and took place between 13 November and 7 December 2006.

As a result of the quantitative results, the survey was amended by adding some new questions and amending some existing ones.

Management of costs

50% of funds indicated that sound general housekeeping is employed to reduce costs, 17% by benchmarking costs and 24% by regular rebroking.

Rebroking administration

38% of funds rebroke their administration on an annual basis, 13% every three years, 15% every five years and 11% every two years.

66% of funds rebroke their risk benefits on an annual basis

55% of funds use a single provider for all administration, benefit consulting, investments and risk benefits

Rebroking risk

66% of funds rebroke their risk benefits on an annual basis, 10% every two years and 10% every three years.

Rebroking investments

51% of funds rebroke their investment business annually, 10% every two years and 10% every three years.

Principal consultants

55% of funds use a single provider for all administration, benefit consulting, investments and risk benefits. The other 45% use a range of providers.

90% of funds have a principal consultant who plays a leading role in providing advice in terms of administration, risk and asset management.

In 36% of funds the benefit consultant plays the role of the principal consultant, in 46% the administrator and in 15% of cases the investment consultant.

Optimising retirement benefits or withdrawal benefits

When asked whether trustees should manage the fund to optimise retirement or withdrawal benefits, 46% of respondents indicated optimising retirement benefits compared to 3% who preferred to optimise withdrawal benefits. However, most respondents (48.5%) indicated that both should be optimised at the same time.

The majority of respondents (74%) felt that the strategies to optimise both retirement and withdrawal benefits are complementary. When asked why, most respondents (72%) indicated that optimising investment returns would benefit both retirement and withdrawal benefits. Some (15%) felt that it is the fund's responsibility to provide benefits for all.

Those respondents (22.5%) who felt that the strategies to optimise both retirement and withdrawal benefits come into conflict indicated that this is due to the following:

- It is not prudent to focus on short-term benefits (55.6%).
- These aims entail different investment strategies (26.7%).

When asked whether members are more concerned with retirement savings or death benefits, most respondents (51.5%) indicated that most members are concerned with retirement savings. This is rather encouraging, when one considers the struggle against low domestic savings. A significant portion of respondents (30.5%) indicated that members are equally concerned with retirement savings and death benefits.

Key indicators

	2007	2006
Employer contributions	9.7	10.0
Death benefit premiums	(1.8)	(1.9)
Disability benefit premiums	(1.1)	(1.4)
Administration and operating costs	(1.0)	(1.2)
Retirement provision	5.8	5.5
Employee contributions	5.5	6.0
Total provision for retirement	11.3	11.5

SUMMARY REPORT

Q1.1 How would you classify the principal employer, using one of the following business categories?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Principal Employer		
Financial Services	23 11.5	11 5.9
Manufacturing	43 21.5	53 28.2
Agriculture, forestry or fishing	7 3.5	6 3.2
Professional or business services	6 3	5 2.7
Building or construction	10 5	9 4.8
Wholesale and retail	22 11	16 8.5
Mining	3 1.5	6 3.2
Government, semi-government/ parastatal	5 2.5	8 4.3
Breweries, distilleries or wineries	3 1.5	2 1.1
Chemical or pharmaceutical	4 2	6 3.2
Energy or petrochemical	3 1.5	3 1.6
Engineering	10 5	6 3.2
Education	7 3.5	7 3.7
Healthcare	7 3.5	2 1.1
Hospitality	3 1.5	4 2.1
IT or telecoms	5 2.5	7 3.7
Printing and publishing	3 1.5	3 1.6
Local authority or municipality	0 0	1 0.5
Other	36 18	33 17.6
Total of table	200 100	188 100

Q1.2a How many retirement funds does your organisation offer to employees?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Number of retirement funds		
One	95 47.5	88 46.8
Two	58 29	64 34
Three or more	47 23.5	36 19.1
Mean	1.76	1.72
Total of table	200 100	188 100

Q1.2b Which of the following descriptions applies to the fund participating in the survey?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Description of largest fund		
Pension fund	59 29.5	48 25.5
Provident fund	95 47.5	120 63.8
The fund is an umbrella fund open to employers in a particular industry	31 15.5	19 10.1
The fund was set up for an industry sector	4 2	0 0
Hybrid	11 5.5	7 3.7
Total of table	200 100	194 103.2

Q1.3 How many active members belong to the fund?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Number of active members belonging to fund		
41 to 100 (70)	36 18	40 21.3
101 to 300 (200)	41 20.5	44 23.4
301 to 500 (400)	30 15	30 16
501 to 1 000 (750)	33 16.5	29 15.4
1 001 to 5 000 (3000)	41 20.5	33 17.6
5 001 or more (7500)	19 9.5	12 6.4
Total of table	200 100	188 100

Q1.4 What is the total value of assets of the fund? (R million)

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Value of assets of fund		
Less than R 12 mil (R6mil)	32 16	44 23.4
R 12,1 mil to R 30 mil (R21mil)	24 12	23 12.2
R 30,1 mil to R 60 mil (R45mil)	22 11	19 10.1
R 60,1 mil to R 120 mil (R90mil)	19 9.5	29 15.4
R 120,1 mil to R 300 mil (R210mil)	33 16.5	27 14.4
R 300,1 mil to R 500 mil (R400mil)	13 6.5	5 2.7
R 500,1 mil to R 1 bn (R750mil)	19 9.5	14 7.4
More than R 1 bn (R1.5 bn)	25 12.5	13 6.9
Not sure	13 6.5	14 7.4
Total of table	200 100	188 100

Q1.5 How many of the trustee board are employer appointed trustees?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Number of employer appointed trustees		
1	5 2.5	0 0
2	32 16	42 22.3
3	60 30	50 26.6
4	50 25	36 19.1
5	11 5.5	19 10.1
6	15 7.5	20 10.6
7	2 1	
8	4 2	
None	21 10.5	1 0.5
Other	0 0	11 5.9
Not sure	0 0	9 4.8
Mean	3.2	3.55
Total of table	200 100	188 100

Q1.6 How many of the trustee board are member elected trustees?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Number of member elected trustees		
1	2 1	0 0
2	31 15.5	42 22.3
3	54 27	48 25.5
4	46 23	34 18.1
5	10 5	19 10.1
6	15 7.5	24 12.8
7	2 1	
8	8 4	
14	1 0.5	
None	30 15	6 3.2
Don't know	1 0.5	9 4.8
Other	0 0	6 3.2
Mean	3.23	3.61
Total of table	200 100	188 100

Q1.7 How, if at all, are trustees paid for their services?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Trustees paid for their services		
No remuneration	172 86	164 87.2
A rate per hour	1 0.5	2 1.1
A Rand amount per meeting	6 3	7 3.7
Not sure	3 1.5	14 7.4
R40 000 per annum		1 0.5
Not applicable	18 9	
Total of table	200 100	188 100

Q1.8 Do the trustees have a policy on accepting gifts?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Policy for accepting gifts		
Yes	111 55.5	83 44.1
No	64 32	88 46.8
Not sure	7 3.5	12 6.4
Not applicable	18 9	5 2.7
Total of table	200 100	188 100

Q1.9 What is the content of the policy on accepting gifts?

	2007 Total	2006 Total
Trustees who have a policy on accepting gifts	111 100	83 100
Policy on accepting gifts		
Trustees may not accept any gifts	60 54.1	45 54.2
Trustees may accept any gifts below a Rand amount of R250 provided they make full disclosure	24 21.6	11 13.3
Trustees may accept any gifts below a Rand amount of R500 provided they make full disclosure	5 4.5	6 7.2
Trustees may accept any gifts below a Rand amount of R750 provided they make full disclosure	1 0.9	1 1.2
Trustees may accept any gifts below a Rand amount of R1000 provided they make full disclosure		4 4.8
Trustees may accept any gifts without limit provided they make full disclosure	17 15.3	8 9.6
No gifts, only entertainment	1 0.9	0 0
Other	1 0.9	8 9.6
Not sure	2 1.8	1 1.2
Total of table	111 100	84 101.2

Q1.10a Who provides training to fund trustees?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Training provided by		
Fund consultant	81 40.5	65 34.6
Investment consultant	25 12.5	31 16.5
Administrator	86 43	85 45.2
Independent trustee trainer	28 14	19 10.1
In-house training by HR/EB/FD etc	10 5	7 3.7
No formal training provided	10 5	27 14.4
Other	9 4.5	10 5.3
Total of table	249 124.5	244 129.8

Q1.10b How frequently do you receive training from Fund Consultant?

	2007 Total	2006 Total
Respondents receiving training from Fund Consultant	81 100	65 100
Frequency		
Weekly	1 1.2	0 0
Monthly	2 2.5	1 1.5
Every 2 months	3 3.7	0 0
Every 3 months	26 32.1	19 29.2
Every 6 months	10 12.3	6 9.2
Once a year	25 30.9	15 23.1
Less frequently than once a year	12 14.8	10 15.4
Other	2 2.5	13 20
Don't know		1 1.5
Total of table	81 100	65 100

Q1.10b How frequently do you receive training from Investment Consultant?

	2007 Total	2006 Total
Respondents receiving training from Investment Consultant	25 100	31 100
Frequency		
Monthly	0 0	2 6.5
Every 2 months	2 8	
Every 3 months	8 32	4 12.9
Every 6 months	5 20	5 16.1
Once a year	8 32	12 38.7
Less frequently than once a year		1 3.2
Other	2 8	6 19.4
3x a year		1 3.2
Total of table	25 100	31 100

Q1.10b How frequently do you receive training from Administrator?

	2007 Total	2006 Total
Respondents receiving training from Administrator	86 100	85 100
Frequency		
Weekly	1 1.2	0 0
Monthly	1 1.2	2 2.4
Every 2 months	2 2.3	0 0
Every 3 months	24 27.9	19 22.4
Every 6 months	11 12.8	13 15.3
Once a year	25 29.1	33 38.8
Less frequently than once a year	15 17.4	4 4.7
Other	7 8.1	6 7.1
Don't know		8 9.4
Total of table	86 100	85 100

Q1.10b How frequently do you receive training from independent trustee trainer?

	2007 Total	2006 Total
Respondents receiving training from independent trustee trainer	28 100	19 100
Frequency		
Every 3 months	2 7.1	2 10.5
Every 6 months	3 10.7	3 15.8
Once a year	11 39.3	5 26.3
Less frequently than once a year	7 25	2 10.5
Other	5 17.9	6 31.6
Don't know		1 5.3
Total of table	28 100	19 100

Q1.10b How frequently do you receive training from in-house training?

	2007 Total	2006 Total
Respondents receiving in-house 1 training	10 100	7 100
Frequency		
Every 3 months	4 40	1 14.3
Every 6 months	1 10	1 14.3
Once a year	1 10	4 57.1
Less frequently than once a year	3 30	0 0
Other	1 10	1 14.3
Total of table	10 100	7 100

Q1.10b How frequently do you receive training from other providers?

	2007 Total	2006 Total
Respondents receiving training from other providers	9 100	10 100
Frequency		
Every 2 months		1 10
Every 3 months	3 33.3	4 40
Every 6 months		2 20
Once a year	4 44.4	0 0
Less frequently than once a year	1 11.1	0 0
Other		2 20
Don't know	1 11.1	1 10
Total of table	9 100	10 100

Q1.10c What type of information is mainly provided by Fund Consultant?

	2007 Total	2006 Total
Respondents receiving training from Fund Consultant	81 100	65 100
Type of information		
Fund governance issues	67 82.7	35 53.8
Fiduciary duties	58 71.6	33 50.8
Administration issues	53 65.4	26 40
Investment strategy	64 79	31 47.7
Investment products	51 63	25 38.5
Risk strategy	52 64.2	21 32.3
Legislative change	62 76.5	32 49.2
Accounting issues	37 45.7	14 21.5
Member communication issues	56 69.1	21 32.3
Other	1 1.2	14 21.5
New trustee training	0 0	2 3.1
Total of table	501 618.5	254 390.8

Q1.10c What type of information is mainly provided by Investment Consultant?

	2007 Total	2006 Total
Respondents receiving training from Investment Consultant	25 100	31 100
Type of information		
Fund governance issues	9 36	8 25.8
Fiduciary duties	9 36	8 25.8
Administration issues	7 28	11 35.5
Investment strategy	23 92	19 61.3
Investment products	22 88	21 67.7
Risk strategy	11 44	13 41.9
Legislative change	13 52	12 38.7
Accounting issues	5 20	6 19.4
Member communication issues	4 16	11 35.5
Other		2 6.5
New trustee training		1 3.2
Total of table	103 412	112 361.3

Q1.10c What type of information is mainly provided by Administrator?

	2007 Total	2006 Total
Respondents receiving training from Administrator	86 100	85 100
Type of information		
Fund governance issues	63 73.3	34 40
Fiduciary duties	59 68.6	40 47.1
Administration issues	61 70.9	36 42.4
Investment strategy	56 65.1	32 37.6
Investment products	46 53.5	26 30.6
Risk strategy	41 47.7	25 29.4
Legislative change	60 69.8	39 45.9
Accounting issues	39 45.3	26 30.6
Member communication issues	48 55.8	24 28.2

Other	4 4.7	14 16.5
New trustee training		7 8.2
Don't know	1 1.2	1 1.2
Total of table	478 555.8	304 357.6

Q1.10c What type of information is mainly provided by independent trustee trainer?

	2007 Total	2006 Total
Respondents receiving training from independent trustee trainer	28 100	19 100
Type of information		
Fund governance issues	23 82.1	8 42.1
Fiduciary duties	21 75	13 68.4
Administration issues	11 39.3	4 21.1
Investment strategy	21 75	6 31.6
Investment products	14 50	4 21.1
Risk strategy	11 39.3	5 26.3
Legislative change	17 60.7	9 47.4
Accounting issues	11 39.3	3 15.8
Member communication issues	10 35.7	5 26.3
Other	2 7.1	2 10.5
New trustee training		1 5.3
Total of table	141 503.6	60 315.8

Q1.10c What type of information is mainly provided by in-house training?

	2007 Total	2006 Total
Respondents receiving in-house training	10 100	7 100
Type of information		
Fund governance issues	3 30	3 42.9
Fiduciary duties	4 40	2 28.6
Administration issues	7 70	4 57.1
Investment strategy	5 50	2 28.6
Investment products	4 40	2 28.6
Risk strategy	5 50	1 14.3
Legislative change	3 30	3 42.9
Accounting issues	6 60	3 42.9
Member communication issues	7 70	4 57.1
Other	2 20	1 14.3
Total of table	46 460	25 357.1

Q1.10c What type of information is mainly provided by other training?

	2007 Total	2006 Total
Respondents receiving training from other providers	9 100	10 100
Type of information		
Fund governance issues	8 88.9	2 20
Fiduciary duties	6 66.7	5 50
Administration issues	5 55.6	4 40
Investment strategy	6 66.7	3 30
Investment products	6 66.7	3 30
Risk strategy	5 55.6	4 40
Legislative change	7 77.8	5 50
Accounting issues	2 22.2	2 20
Member communication issues	3 33.3	3 30
Other		3 30
Total of table	48 533.3	34 340

Q1.10d In what format do your trustees receive training from Fund Consultant?

	2007 Total	2006 Total
Respondents receiving training from Fund Consultant	81 100	65 100
Format		
Written documents	40 49.4	28 43.1
Formal presentations	59 72.8	25 38.5
Informal workshops	21 25.9	10 15.4
At trustee meetings	40 49.4	29 44.6
One on one meetings	8 9.9	13 20
Via e-mail	15 18.5	13 20
Structured training courses	23 28.4	14 21.5
Others	2 2.5	13 20
Group	0 0	3 4.6
Don't know	0 0	28 43.1
Total of table	208 256.8	176 270.8

Q1.10d In what format do your trustees receive training from Investment Consultant?

	2007 Total	2006 Total
Respondents receiving training from Investment Consultant	25 100	31 100
Format		100
Written documents	10 40	15 48.4
Formal presentations	15 60	19 61.3
Informal workshops	6 24	5 16.1
At trustee meetings	14 56	12 38.7
One on one meetings	3 12	2 6.5
Via e-mail	1 4	6 19.4
Structured training courses	7 28	4 12.9
Others	0 0	3 9.7
Don't know	1 4	15 48.4
Total of table	57 228	81 261.3

Q1.10d In what format do your trustees receive training from Administrator ?

	2007 Total	2006 Total
Respondents receiving training from Administrator	86 100	85 100
Format		
Written documents	53 61.6	22 25.9
Formal presentations	56 65.1	36 42.4
Informal workshops	19 22.1	25 29.4
At trustee meetings	46 53.5	20 23.5
One on one meetings	8 9.3	9 10.6
Via e-mail	15 17.4	10 11.8
Structured training courses	33 38.4	14 16.5
Others	4 4.7	13 15.3
Group	0 0	1 1.2
Don't know	0 0	22 25.9
Total of table	234 272.1	172 202.4

Q1.10d In what format do your trustees receive training from independent trustee trainer?

	2007 Total	2006 Total
Respondents receiving training from independent trustee trainer	28 100	19 100
Format		
Written documents	11 39.3	4 21.1
Formal presentations	19 67.9	7 36.8
Informal workshops	1 3.6	6 31.6
At trustee meetings	3 10.7	3 15.8
One on one meetings	1 3.6	5 26.3
Via e-mail	2 7.1	2 10.5
Structured training courses	21 75	9 47.4
Others	0 0	1 5.3
Don't know	0 0	4 21.1
Total of table	58 207.1	41 215.8

Q1.10d In what format do your trustees receive training from in-house training?

	2007 Total	2006 Total
Respondents receiving in-house training	10 100	7 100
Format		
Written documents	5 50	4 57.1
Formal presentations	5 50	1 14.3
Informal workshops	4 40	4 57.1
At trustee meetings	5 50	3 42.9
One on one meetings	1 10	4 57.1
Via e-mail	3 30	2 28.6
Structured training courses	2 20	2 28.6
Others	1 10	0 0
Don't know	0 0	4 57.1
Total of table	26 260	24 342.9

Q1.10d In what format do your trustees receive training from other providers?

	2007 Total	2006 Total
Respondents receiving training from other providers	9 100	10 100
Format		
Written documents	2 22.2	3 30
Formal presentations	3 33.3	5 50
Informal workshops	2 22.2	1 10
At trustee meetings	3 33.3	4 40
One on one meetings	1 11.1	1 10
Structured training courses	4 44.4	4 40
Others	1 11.1	1 10
Don't know	1 11.1	3 30
Total of table	17 188.9	22 220

Q1.13 What is the normal retirement age for new male entrants?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Normal retirement age for new male entrants		
59 or younger	0 0	4 2.1
60	55 27.5	53 28.2
61		1 0.5
62	3 1.5	1 0.5
63	36 18	31 16.5
65	104 52	94 50
66 and older	1 0.5	2 1.1
Mean	63.22	63.09
Not specified - as per employment contract/arrangement with employer	1 0.5	2 1.1
Total of table	200 100	188 100

Q1.14 What is the normal retirement age for new female entrants?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Normal retirement age for new female entrants		
59 or younger	0 0	5 2.7
60	59 29.5	59 31.4
62	3 1.5	1 0.5
63	36 18	32 17
65	99 49.5	87 46.3
66 and older	1 0.5	2 1.1
Mean	63.11	62.9
Not specified - as per employment contract/arrangement with employer	1 0.5	2 1.1
Not sure	1 0.5	
Total of table	200 100	188 100

Q2.1 Which of the following are used to communicate with members?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Communication used with member		
A rule booklet	139 69.5	120 63.8
Annual benefit statements	186 93	178 94.7
Membership certificate	65 32.5	67 35.6
Annual trustee report	83 41.5	83 44.1
Separate fund newsletter	98 49	81 43.1
Articles in company newsletter(s)	35 17.5	38 20.2
Induction programmes	66 33	57 30.3
Information on Intranet/Internet	129 64.5	103 54.8
Other printed documents, e.g. letters	64 32	0 0
Annual or more regular workshop and discussion groups	61 30.5	54 28.7
Role play/theatre	3 1.5	
Other face to face communication	46 23	
Email	34 17	
Cell phone	7 3.5	
No communication	1 0.5	
Other	8 4	35 18.6
Total of table	1025 512.5	816 434

Q2.2 Which of the following topics are communicated to members?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Topics communicated to members		
The benefit structure	176 88	162 86.2
Trustee decisions	132 66	120 63.8
How the fund works	153 76.5	144 76.6
Valuation results	100 50	85 45.2
Investment performance	175 87.5	152 80.9
Frequently asked questions	97 48.5	93 49.5
The annual benefit statement: Interpretation and implications	146 73	140 74.5
Member investment choices	88 44	77 41
Quarterly benefit statements	1 0.5	
Trustee elections	1 0.5	
Issues of concern to women	1 0.5	
None	1 0.5	
Not sure	1 0.5	
Other	3 1.5	12 6.4
Total of table	1075 537.5	985 523.9

Q2.3 Who answers members' retirement fund related queries?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Queries answered by		
Trustees	98 49	79 42
Administrator	116 58	96 51.1
Retirement fund consultant	66 33	50 26.6
Human resources department	108 54	97 51.6
Principal Officer	103 51.5	99 52.7
Employee benefit Co ordinator/ department	2 1	
Financial manager	1 0.5	
Fund manager	1 0.5	
Chairman of the board	1 0.5	
Other	3 1.5	25 13.3
Summary		
Any internal	175 87.5	152 80.9
Any external	145 72.5	122 64.9
Total of table	499 249.5	446 237.2

Q2.4 Does the fund have a formalised strategy for rendering financial advice to members (whether in consultation with the employer or on its own)?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Formalised strategy for rendering financial advice		
Yes	117 58.5	92 48.9
No	83 41.5	92 48.9
Not sure		4 2.1
Total of table	200 100	188 100

Q2.5 Who provides this financial advice in terms of FAIS?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Financial advice provided in terms of FAIS by		
Worksite adviser (financial adviser/ broker contracted by the fund and/or company)	96 82.1	68 73.9
Member's own financial adviser or broker	48 41	34 37
Call centre	1 0.9	
Other		5 5.4
Not sure	2 1.7	2 2.2
Total of table	147 125.6	109 118.5

Q2.6 Under which of the following circumstances is financial advice provided on a formalised basis to senior members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Induction		
One on one	58 49.6	38 41.3
In a group	32 27.4	25 27.2
Not sure	6 5.1	8 8.7
Never	28 23.9	25 27.2
Total of table	124 106	96 104.3

Q2.6 Under which of the following circumstances is financial advice provided on a formalised basis to senior members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Withdrawal		
One on one	93 79.5	74 80.4
In a group	5 4.3	9 9.8
Not sure	1 0.9	4 4.3
Never	20 17.1	7 7.6
Total of table	119 101.7	94 102.2

Q2.6 Under which of the following circumstances is financial advice provided on a formalised basis to senior members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Disablement		
One on one	89 76.1	71 77.2
In a group	8 6.8	9 9.8
Not sure	3 2.6	2 2.2
Never	20 17.1	13 14.1
Total of table	120 102.6	95 103.3

Q2.6 Under which of the following circumstances is financial advice provided on a formalised basis to senior members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Retirement		
One on one	95 81.2	79 85.9
In a group	20 17.1	12 13
Never	13 11.1	4 4.3
Not sure		1 1.1
Total of table	128 109.4	96 104.3

Q2.6 Under which of the following circumstances is financial advice provided on a formalised basis to senior members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Death		
One on one	93 79.5	70 76.1
In a group	10 8.5	12 13
Not sure	3 2.6	2 2.2
Never	16 13.7	12 13
Total of table	122 104.3	96 104.3

Q2.6 Under which of the following circumstances is financial advice provided on a formalised basis to senior members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Regular annual discussion		
One on one	10 8.5	13 14.1
In a group	61 52.1	49 53.3
Not sure	7 6	6 6.5
Never	40 34.2	24 26.1
Total of table	118 100.9	92 100

Q2.7 Under which of the following circumstances is financial advice provided on a formalised basis to all other members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Induction		
One on one	58 49.6	36 39.1
In a group	42 35.9	29 31.5
Not sure	5 4.3	4 4.3
Never	24 20.5	26 28.3
Total of table	129 110.3	95 103.3

Q2.7 Under which of the following circumstances is financial advice provided on a formalised basis to all other members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Withdrawal		
One on one	93 79.5	72 78.3
In a group	6 5.1	8 8.7
Not sure	1 0.9	2 2.2
Never	19 16.2	12 13
Total of table	119 101.7	94 102.2

Q2.7 Under which of the following circumstances is financial advice provided on a formalised basis to all other members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Disablement		
One on one	89 76.1	73 79.3
In a group	9 7.7	9 9.8
Not sure	3 2.6	1 1.1
Never	21 17.9	12 13
Total of table	122 104.3	95 103.3

Q2.7 Under which of the following circumstances is financial advice provided on a formalised basis to all other members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Retirement		
One on one	94 80.3	77 83.7
In a group	19 16.2	9 9.8
Not sure		1 1.1
Never	13 11.1	7 7.6
Total of table	126 107.7	94 102.2

Q2.7 Under which of the following circumstances is financial advice provided on a formalised basis to all other members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Death		
One on one	94 80.3	71 77.2
In a group	13 11.1	15 16.3
Not sure	3 2.6	1 1.1
Never	15 12.8	9 9.8
Total of table	125 106.8	96 104.3

Q2.7 Under which of the following circumstances is financial advice provided on a formalised basis to all other members of staff or their dependants?

	2007 Total	2006 Total
Formalised strategy for rendering financial advice	117 100	92 100
Regular annual discussion		
One on one	8 6.8	14 15.2
In a group	67 57.3	45 48.9
Not sure	5 4.3	7 7.6
Never	40 34.2	26 28.3
Total of table	120 102.6	92 100

Q2.8 In your opinion, to what extent do members of staff understand the financial advice and information provided to them? - Senior Staff

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Senior Staff		
They understand the vast majority of it	142 71	121 64.4
They understand about half of it	44 22	44 23.4
They understand less than half of it	7 3.5	11 5.9
They hardly understand any of it at all		3 1.6
No Senior staff	2 1	0 0
Not sure	3 1.5	7 3.7
Not applicable	2 1	2 1.1
Total of table	200 100	188 100

Q2.8 In your opinion, to what extent do members of staff understand the financial advice and information provided to them? - All other staff

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
All other staff		
They understand the vast majority of it	31 15.5	33 17.6
They understand about half of it	69 34.5	62 33
They understand less than half of it	73 36.5	51 27.1
They hardly understand any of it at all	19 9.5	32 17
Not sure	8 4	10 5.3
Total of table	200 100	188 100

Q2.9 Can you just confirm whether the fund utilises an Intranet or Internet facility in order to give members access to information?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Utilisation of Intranet/Internet		
Yes	129 64.5	103 54.8
No	70 35	85 45.2
Not sure	1 0.5	0 0
Total of table	200 100	188 100

Q2.10 How do members gain access to the internet/intranet?

	2007 Total	2006 Total
Resp whose fund uses internet/intranet	129 100	103 100
Gain access by		
Via HR or similar office only	16 12.4	15 14.6
Directly, using a personal password only	79 61.2	54 52.4
Either via HR or directly, using own password	33 25.6	30 29.1
Other	1 0.8	3 2.9
	0 0	1 1
Total of table	129 100	103 100

Q2.11 What percentage of members has direct access to pension fund information via work or private Internet/Intranet facilities?

	2007 Total	2006 Total
Directly using a personal password/Via H R	112 100	84 100
Based on research		
2% or less (2)	2 1.8	1 1.2
5% to 9% (7)	1 0.9	0 0
10% to 49% (29.5)	4 3.6	5 6
50% to 69% (59.5)	8 7.1	4 4.8
70% or more (70)	44 39.3	31 36.9
Not sure		4 4.8
Total of table	59 52.7	45 53.6

Q2.11 What percentage of members has direct access to pension fund information via work or private Internet/Intranet facilities?

	2007 Total	2006 Total
Directly using a personal password/Via H R	112 100	84 100
Best estimate		
2% or less (2)	1 0.9	1 1.2
3% to 4% (3.5)	0 0	1 1.2
5% to 9% (7)	5 4.5	3 3.6
10% to 49% (29.5)	10 8.9	11 13.1
50% to 69% (59.5)	9 8	10 11.9
70% or more (70)	27 24.1	11 13.1
Not sure	1 0.9	2 2.4
Total of table	53 47.3	39 46.4

Q2.11 What percentage of members has direct access to pension fund information via work or private Internet/Intranet facilities?

	2007 Total	2006 Total
Directly using a personal password/Via H R	112 100	84 100
Based on research or best estimate		
2% or less (2)	3 2.7	2 2.4
3% to 4% (3.5)	0 0	1 1.2
5% to 9% (7)	6 5.4	3 3.6
10% to 49% (29.5)	14 12.5	16 19
50% to 69% (59.5)	17 15.2	14 16.7
70% or more (70)	71 63.4	42 50
Not sure	1 0.9	6 7.1
Total of table	112 100	84 100

Q2.12 What percentage utilises the Internet/Intranet facilities to access pension fund information?

	2007 Total	2006 Total
Respondents who access the internet/intranet via HR/other	17 100	19 100
Based on research		
2% or less (2)	3 17.6	7 36.8
3% to 4% (3.5)	1 5.9	0 0
5% to 9% (7)	0 0	2 10.5
10% to 49% (29.5)	2 11.8	0 0
70% or more (70)	1 5.9	1 5.3
Not sure	1 5.9	0 0
Total of table	8 47.1	10 52.6

Q2.12 What percentage utilises the Internet/Intranet facilities to access pension fund information?

	2007 Total	2006 Total
Respondents who access the internet/intranet via HR/other	17 100	19 100
Best guess		
2% or less (2)	3 17.6	4 21.1
5% to 9% (7)	2 11.8	2 10.5
10% to 49% (29.5)	4 23.5	1 5.3
70% or more (70)	0 0	1 5.3
Not sure	0 0	1 5.3
Total of table	9 52.9	9 47.4

Q2.12 What percentage utilises the Internet/Intranet facilities to access pension fund information?

	2007 Total	2006 Total
Respondents who access the internet/intranet via HR/other	17 100	19 100
Based on research or Best guess		
2% or less (2)	6 35.3	11 57.9
3% to 4% (3.5)	1 5.9	0 0
5% to 9% (7)	2 11.8	4 21.1
10% to 49% (29.5)	6 35.3	1 5.3
70% or more (70)	1 5.9	2 10.5
Not sure	1 5.9	1 5.3
Total of table	17 100	19 100

Q2.13 What general information is available via the Internet/Intranet?

	2007 Total	2006 Total
Resp whose fund uses internet/intranet	129 100	103 100
General information available via Internet/Intranet		
The fund rules	87 67.4	72 69.9
Member booklet	77 59.7	61 59.2
Insurance policies (i.e. group risk and disability)	43 33.3	37 35.9
Administration agreement	17 13.2	14 13.6
Investment/Asset management agreements	28 21.7	17 16.5
The resumes and contact details of trustees	44 34.1	39 37.9
The resumes and contact details of other appointed officers	29 22.5	29 28.2
The annual rule change notification	54 41.9	37 35.9
Investment portfolio information	90 69.8	63 61.2
Investment returns	61 47.3	61 59.2
Quarterly newsletter	4 3.1	
Not sure	2 1.6	6 5.8
Other	7 5.4	15 14.6
None	3 2.3	0 0
Total of table	546 423.3	451 437.9

Q2.14 What personal information is available via the Internet/Intranet?

	2007 Total	2006 Total
Resp whose fund uses internet/intranet	129 100	103 100
Personal information available on Internet/Intranet		
Annual member benefit statement	71 55	60 58.3
Monthly updated member benefit statement	77 59.7	61 59.2
Beneficiary nominations	39 30.2	44 42.7
Personal particulars	75 58.1	56 54.4
Transaction history	55 42.6	42 40.8
Other investment choices	2 1.6	0 0
Investment statement/portfolio	2 1.6	0 0
Information of own pension fund	2 1.6	0 0
Not sure	3 2.3	7 6.8
Other	3 2.3	17 16.5
None	25 19.4	4 3.9
Total of table	354 274.4	291 282.5

Q2.15 What member training and support is provided via the Internet/Intranet?

	2007 Total	2006 Total
Resp whose fund uses internet/intranet	129 100	103 100
Training and support provided		
Modeller or calculator to calculate retirement needs and/or basic investment alternatives	38 29.5	28 27.2
Investment training material and articles	22 17.1	16 15.5
Relevant articles	28 21.7	32 31.1
Other		1 1
None	67 51.9	45 43.7
Not sure	6 4.7	11 10.7
Total of table	161 124.8	

Q2.16 What transactions can be performed on the Internet/Intranet either by members or trustees?

	2007 Total	2006 Total
Resp whose fund uses internet/intranet	129 100	103 100
Transactions performed on Internet/Intranet		
Members: Updating personal information (direct by member or via HR office)	49 38	46 44.7
Members: Investment switches (direct by member or via HR office)	35 27.1	27 26.2
Members: Risk benefit selections (direct by member or via HR office)	13 10.1	10 9.7
Participating Employer: Monthly member payroll data provided by the employer	19 14.7	26 25.2
Other		7 6.8
Not sure	7 5.4	10 9.7
None	64 49.6	34 33
Total of table	187 145	160 155.3

Q2.17 To what extent would the fund consider paying for more financial education to be provided to members?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Extent fund would consider paying more for financial education		
Would definitely consider it	50 25	32 17
Might consider it	67 33.5	61 32.4
Unlikely to consider it	66 33	61 32.4
Would definitely not consider it	15 7.5	34 18.1
Don't know	2 1	0 0
Summary		
Would/might consider	117 58.5	93 49.5
Unlikely/would not consider	81 40.5	95 50.5
Total of table	200 100	188 100

Q2.18 Which of the following does the fund offer?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Fund offers		
Home loans to members direct (i.e. the fund makes a direct loan to the member)	37 18.5	35 18.6
Housing sureties (i.e. the fund merely provides collateral in respect of a loan made by a financial institution)	95 47.5	87 46.3
Neither	72 36	74 39.4
Not sure		5 2.7
Total of table	204 102	201 106.9

Q3.1 Is the employer's remuneration package structured on a total cost to company basis?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Remuneration package structured on total cost to company basis		
Yes	108 54	107 56.9
No	84 42	75 39.9
Not sure	3 1.5	6 3.2
Only some employees are on total cost to company structure	5 2.5	
Total of table	200 100	188 100

Q3.2 Is the employer contemplating the total cost to company approach?

	2007 Total	2006 Total
Employer's remuneration package not structured on a total cost to company	84 100	75 100
Is employer contemplating total cost to company approach		
Yes, it plans to implement within the next 2 years	9 10.7	15 20
Yes, but it has no firm plans for implementation	9 10.7	6 8
No, not that I know of	62 73.8	51 68
Not sure	4 4.8	3 4
Total of table	84 100	75 100

Q3.3 What percentage of the total remuneration is pensionable remuneration?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Percentage of total - pensionable remuneration		
Less than 70% (70)	31 15.5	31 16.5
70,1% to 80% (75)	50 25	45 23.9
80,1% to 90% (85)	27 13.5	28 14.9
90,1% to 100% (95)	76 38	67 35.6
Individual's choice	2 1	0 0
Not sure	13 6.5	13 6.9
Depends on level	2 1	0 0
Other	0 0	4 2.1
Total of table	201 100.5	188 100

Q3.4 Which of the following can be included in pensionable remuneration?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Annual bonus (typical 13th cheque)		
Yes	68 34	59 31.4
No	129 64.5	120 63.8
Not sure	3 1.5	7 3.7
Not applicable	0 0	2 1.1
Total of table	200 100	188 100

Q3.4 Which of the following can be included in pensionable remuneration?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Other bonuses (marketing, merit, production)		
Yes	22 11	18 9.6
No	174 87	155 82.4
Not sure	4 2	9 4.8
Not applicable	0 0	6 3.2
Total of table	200 100	188 100

Q3.4 Which of the following can be included in pensionable remuneration?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Commission		
Yes	24 12	19 10.1
No	170 85	153 81.4
Not sure	6 3	7 3.7
Not applicable	0 0	9 4.8
Total of table	200 100	188 100

Q3.4 Which of the following can be included in pensionable remuneration?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Car allowance		
Yes	54	52
	27	27.7
No	140	131
	70	69.7
Not sure	6	5
	3	2.7
Total of table	200	188
	100	100

Q3.4 Which of the following can be included in pensionable remuneration?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Housing benefit		
Yes	11	9
	5.5	4.8
No	177	168
	88.5	89.4
Not sure	6	5
	3	2.7
Not applicable	6	6
	3	3.2
Total of table	200	188
	100	100

Q3.5 Can anything else be included in pensionable remuneration?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Anything else included in pensionable remuneration		
Yes	10	12
	5	6.4
No	186	170
	93	90.4
Not sure	4	6
	2	3.2
Total of table	200	188
	100	100

Q3.5 Can anything else be included in pensionable remuneration?

	2007 Total	2006 Total
Respondents who say something else could be included in pensionable remuneration	10	100
Anything else included		
Cell Phone	2	20
5 year reward for service	2	20
Travel allowance	1	10
Employer can decide	1	10
Performance bonus	1	10
Medical scheme contribution	1	10
Any of building blocks within total cost to company	1	10
5% of non retirement funding remuneration	1	10
Total of table	10	100

Q4.1 Has the employer implemented an AIDS management programme for its employees?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Employer implemented an AIDS management programme		
Yes	140	111
	70	59
No	55	66
	27.5	35.1
Not sure	5	11
	2.5	5.9
Total of table	200	188
	100	100

Q4.2 What does this entail?

	2007 Total	2006 Total
Employers who implemented an aids management programme	140	100
Entail ...		
Information/programme to raise awareness	139	99.3
Testing	99	70.7
Counselling	123	87.9
Medication	64	45.7
Works closely with local clinic	2	1.4
Wellness programme	1	0.7
Other	2	1.4
Don't know	1	0.7
Total of table	431	307.9

Q4.3 Has the cost of risk benefits provided by the fund and/or any associated separate group scheme increased, decreased or remained the same during the last 2 years as a result of AIDS?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Cost of risk benefits due to AIDS has ...		
Increased	44	49
	22	26
No change	113	56.5
Decreased	30	15
Not sure	13	6.5
Total of table	200	100

Q4.4 By what percentage has the cost of risk increased over the past 2 years?

	2007 Total	2006 Total
Respondent who said that cost of risk benefits due to AIDS has increased	44	49
	100	100
Percentage increased		
Up to 4% (2.5)	20	16
	45.5	32.7
5% to 9% (7.0)	7	5
	15.9	10.2
10% to 19% (15.0)	9	10
	20.5	20.4
20% to 29% (25.0)	3	2
	6.8	4.1
30% to 49% (40.0)	1	
	2.3	
50% to 74% (63.0)		3
		6.1
75% to 99% (87.0)	1	1
	2.3	2
Not sure	3	12
	6.8	24.5
Total of table	44	49
	100	100

Q4.4 By what percentage has the cost of risk decreased over the past 2 years?

	2007 Total	2006 Total
Respondent who said that cost of risk benefits due to AIDS has decreased	30	
	100	
Percentage decreased		
Up to 4% (2.5)	14	
	46.7	
5% to 9% (7.0)	9	
	30	
10% to 19% (15.0)	3	
	10	
30% to 49% (40.0)	3	
	10	
50% to 74% (63.0)	1	
	3.3	
Total of table	30	
	100	

Q4.5 Do you expect the cost of risk benefits provided by the fund and/or any associated separate group scheme to increase, decrease or remain the same in the next 2 years as a result of AIDS?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Cost of risk benefits in next 2 years		
Increase	88 44	87 46.3
No change	93 46.5	
Decrease	3 1.5	
Not sure	16 8	
Total of table	200 100	

Q4.6 By what percentage do you expect it to increase?

	2007 Total	2006 Total
Resp expecting an increase	88 100	87 100
Percentage increase		
Up to 4% (2.5)	30 34.1	22 25.3
5% to 9% (7.0)	33 37.5	23 26.4
10% to 19% (15.0)	13 14.8	21 24.1
20% to 29% (25.0)	2 2.3	8 9.2
30% to 49% (40.0)	1 1.1	2 2.3
100% or more (100.0)	1 1.1	
Not sure	8 9.1	11 12.6
Total of table	88 100	87 100

Q4.6 By what percentage do you expect it to decrease?

	2007 Total	2006 Total
Resp expecting it to increase	3 100	
Percentage decrease		
Up to 4% (2.5)	1 33.3	
5% to 9% (7.0)	1 33.3	
20% to 29% (25.0)	1 33.3	
Total of table	3 100	

Q5.1 What is the total annual contribution category of the fund (i.e. member's plus employer's contributions). Is it ...

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Total annual contribution		
Less than R1 million	32 16	40 21.3
R1 million to R5 million	75 37.5	61 32.4
More than R5 million	85 42.5	79 42
Not sure	8 4	8 4.3
Total of table	200 100	188 100

Q5.2 Does the administrator itemise separately for the cost of administration and all the other costs and disbursements of the fund?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Cost of administration itemised		
Yes, fund is billed separately for each item	110 55	107 56.9
No, but additional expenses not specified in the administration agreement are billed separately	28 14	27 14.4
No, the administration fee typically includes all other expenses	58 29	40 21.3
Not sure	4 2	14 7.4
Total of table	200 100	188 100

Q5.2a What was the total expenses for other costs and disbursements over the past (completed) financial year as a Rand Value of payroll, EXCLUDING cost of administration?

	2007 Total	2006 Total
Respondents who mentioned fund is billed separately for each item	110	100
Expenses for other costs		
R00000-R24,999	5 4.5	
R25,000-R49,999	2 1.8	
R50,000-R74,999	9 8.2	
R100,000-R249,999	6 5.5	
R250,000-R499,999	9 8.2	
R500,000-R999,999	6 5.5	
R1 mill-R4,999 mill	15 13.6	
R5 mill-R9,999 mill	2 1.8	
R10 mill-R49.999 mill	4 3.6	
R50 mill-R99.999 mill	1 0.9	
R100 mill+	5 4.5	
Don't know	46 41.8	
Total of table	110 100	

Q5.2b And what was the Rand Value of payroll, over the past (completed) financial year?

	2007 Total	2006 Total
Respondents who mentioned fund is billed separately for each item	110 100	
Rand value of payroll		
Less than R1 mill	1 0.9	
R1 mill-R4,999 mill	4 3.6	
R5 mill-R9,999 mill	9 8.2	
R10 mill-R24,999 mill	10 9.1	

R25 mill-R49,999 mill	16 14.5
R50 mill-R99,999 mill	14 12.7
R100 mill-R499,999 mill	11 10
R500 mill+	4 3.6
Don't know	41 37.3
Total of table	110 100

Q5.3 How is the cost of administration of the fund calculated (including administration and other costs and disbursements, but EXCLUDING cost of risk and auditing)?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Cost of administration of fund calculated		
As a % of the member's salary	130 65	113 60.1
As a % of the total asset value of the fund	16 8	19 10.1
As a fixed cost per member per month	35 17.5	31 16.5
Varies	2 1	0 0
Company pays not member	2 1	0 0
As a % of the contribution	6 3	0 0
Fixed % of company contribution	1 0.5	0 0
Fixed amount per member+additional percentage based on contribution	1 0.5	0 0
% of payroll	1 0.5	0 0
Other	3 1.5	17 9
Don't know	3 1.5	8 4.3
Total of table	200 100	188 100

Q5.3a What % of each member's salary goes towards fund administration?

	2007 Total	2006 Total
Resp stating as a % of the member's salary	130 100	113 100
Percentage of salary		
0,01% to 0,50% (0.25)	49 37.7	32 28.3
0,51% to 1,00% (0.75)	41 31.5	29 25.7
1,01% to 1,50% (1.25)	11 8.5	15 13.3
1,51% to 2,00% (1.75)	7 5.4	5 4.4
2,01% to 2,50% (2.25)		7 6.2
2,51% to 3,00% (2.75)	4 3.1	1 0.9
3,01% to 3,50% (3.25)	1 0.8	2 1.8
3,51% to 4,00% (3.75)	2 1.5	2 1.8
4,01% or more (4.25)	6 4.6	6 5.3
Not sure	8 6.2	13 11.5
Nothing	1 0.8	0 0
Other		1 0.9
Total of table	130 100	113 100

Q5.3b What % of the asset value of the fund goes towards the cost of administration?

	2007 Total	2006 Total
Resp stating as a % of the total asset value of the fund	16 100	19 100
Percentage of the fund		
0,01% to 0,50% (0.25)	2 12.5	4 21.1
0,51% to 1,00% (0.75)	2 12.5	4 21.1
1,01% to 1,50% (1.25)	4 25	2 10.5
1,51% to 2,00% (1.75)	1 6.3	0 0
2,01% to 2,50% (2.25)	1 6.3	2 10.5
2,51% to 3,00% (2.75)	1 6.3	0 0
3,01% to 3,50% (3.25)	1 6.3	0 0

4,01% or more (4.25)	1 6.3	0 0
Not sure	3 18.8	7 36.8
Total of table	16 100	19 100

Q5.3c What are the fund's administration costs per member per month? - Standard Benefit Options

	2007 Total	2006 Total
Resp stating as a fixed cost per member per month	35 100	31 100
Standard Benefit Options		
<R10 (R7)	2 5.7	2 6.5
R10 to R14 (R12)	2 5.7	3 9.7
R15 to R24 (R20)	4 11.4	5 16.1
R25 to R29 (R27)	0 0	2 6.5
R30 to R34 (R32)	2 5.7	1 3.2
R35 to R39 (R37)	2 5.7	
R40 to R44 (R42)	2 5.7	1 3.2
R45 to R49 (R47)	2 5.7	
R50 to R54 (R52)		2 6.5
R55 to R59 (R57)	1 2.9	2 6.5
Not sure	18 51.4	8 25.8
		5 16.1
Total of table	35 100	31 100

Q5.3c What are the fund's administration costs per member per month? - Member Choice Options

	2007 Total	2006 Total
Resp stating as a fixed cost per member per month	35 100	31 100
Member Choice Options		
<R10 (R7)	1 2.9	
R10 to R14 (R12)	1 2.9	0 0
R15 to R24 (R20)	1 2.9	2 6.5
R25 to R29 (R27)	1 2.9	1 3.2
R30 to R34 (R32)	1 2.9	2 6.5
R35 to R39 (R37)	1 2.9	1 3.2
R40 to R44 (R42)	0 0	1 3.2
	0 0	1 3.2
R60 or more (R65)	2 5.7	0 0
Not sure	4 11.4	3 9.7
R55 to R59 (R57)	0 0	3 9.7
Not applicable	23 65.7	17 54.8
Total of table	35 100	31 100

Q5.3d Do all of your members currently pay the same fixed contribution to the expenses of the fund regardless of their salary level?

	2007 Total	2006 Total
Resp stating as a fixed cost per member per month	35 100	
Members currently pay the same fixed contribution		
Yes	21 60	
No	9 25.7	
Not sure	5 14.3	
Total of table	35 100	

Q5.3e Do you think this is fair?

	2007 Total	2006 Total
Members currently paying the same fixed contribution	21 100	
Is this fair		
Yes	17 81	
No	4 19	
Total of table	21 100	

Q5.3f Does the fund/Would you prefer that the fund charge expenses as a percentage of assets or as a percentage of salary (or in some other way) to ensure that higher salaried employees subsidise those on lower incomes?

	2007 Total	2006 Total
Members not currently paying/not sure/think it is not fair to pay the same fixed contribution	18 100	
Preferred fund to charge expenses as a ...		
Percentage of assets	2 11.1	
Percentage of salary	10 55.6	
Varies	1 5.6	
Rate per person on their fund	4 22.2	
Other	1 5.6	
Total of table	18 100	

Q5.4 Does your fund operate a contingency reserve account?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Fund operates a contingency reserve account		
Yes	78 39	68 36.2
No	103 51.5	96 51.1
Not sure	19 9.5	24 12.8
Total of table	200 100	188 100

Q5.4b How does your fund operate this contingency reserve account?

	2007 Total	2006 Total
Resp stating fund operates a contingency reserve account	78 100	68 100
Contingency reserve account operates		
Monthly deduction from employer contributions	18 23.1	22 32.4
Monthly deduction from employee contributions	3 3.8	
Monthly deduction from both employee and employer contributions	13 16.7	9 13.2
Part of the administration fee	18 23.1	11 16.2
Comes out of fund's reserves/surplus	21 26.9	0 0
Lump sum determined by actuary	3 3.8	0 0
Non contributing fund/paid by fund	2 2.6	0 0
Other	3 3.8	23 33.8
Don't know	0 0	3 4.4
Total of table	81 103.8	68 100

Q5.4c Is this contingency reserve account funded by a levy expressed as a percentage of the payroll?

	2007 Total	2006 Total
Resp stating fund operates a contingency reserve account	78 100	68 100
Funded by a levy expressed as a % of payroll		
Yes	12 15.4	8 11.8
No	57 73.1	51 75
Not sure	9 11.5	9 13.2
Total of table	78 100	68 100

Q5.4d What percentage do you levy at present?

	2007 Total	2006 Total
Resp with a contingency reserve account funded by a levy expressed as a % of the payroll	12 100	8 100
Percentage levy at present		
Up to 0,05% (0.03)	5 41.7	4 50
0,051% to 0,1% (0.075)	4 33.3	2 25
0,151% and higher (0.175)	3 25	1 12.5
Don't know		1 12.5
Total of table	12 100	8 100

Q5.5 Does the fund offer flexible death benefits (i.e. member can choose the level of cover within certain limits set by the fund)?

In this instance members receive a basic level of life cover (core cover) and can then choose additional (flexible) cover to suit their needs.

Savings due to members not choosing the maximum cover will be applied to their retirement provision.

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Flexible death benefits offered		
Yes	37 18.5	29 15.4
No	162 81	158 84
Not sure	1 0.5	1 0.5
Total of table	200 100	188 100

Q5.6 What percentage of salaries is applied to the total cost of risk benefits offered by the FUND (i.e core benefits, + flexible benefits combined)?

Total Risk Benefits

	2007 Total	2006 Total
Fund that offers flexible death benefits	37	29
	100	100
Total Risk Benefits		
0% (0)	1	1
	2.7	2.7
0,51% to 1,00% (0.75)	3	3
	8.1	8.1
1,01% to 1,50% (1.25)	2	2
	5.4	5.4
1,51% to 2,00% (1.75)	4	4
	10.8	10.8
2,01% to 2,50% (2.25)	2	2
	5.4	5.4
2,51% to 3,00% (2.75)	5	5
	13.5	13.5
3,01% to 3,50% (3.25)	3	3
	8.1	8.1
3,51% to 4,00% (3.75)	2	2
	5.4	5.4
4,01% or more (4.25)	7	7
	18.9	18.9
Not sure	8	8
	21.6	21.6
Total of table	37	29
	100	100

Q5.6 What percentage of salaries is applied to the cost of core benefits and flexible risk benefits respectively? - Core Benefits

	2007 Total	2006 Total
Fund that offers flexible death benefits	37	29
	100	100
Core Benefits		
0% (0)	1	1
	2.7	2.7
0,01% to 0,50% (0.25)	4	4
	10.8	10.8
0,51% to 1,00% (0.75)	3	3
	8.1	8.1
1,01% to 1,50% (1.25)	3	3
	8.1	8.1
1,51% to 2,00% (1.75)	3	3
	8.1	8.1
2,01% to 2,50% (2.25)	4	4
	10.8	10.8

2,51% to 3,00% (2.75)		2	2
		6.9	6.9
3,01% to 3,50% (3.25)	2	1	1
	5.4	3.4	3.4
3,51% to 4,00% (3.75)	1	0	0
	2.7	0	0
4,01% or more (4.25)	0	2	2
	0	6.9	6.9
Not sure	16	15	15
	43.2	51.7	51.7
Total of table	37	29	29
	100	100	100

Q5.6 What percentage of salaries is applied to the cost of core benefits and flexible risk benefits respectively? - Flexible Risk Benefits

	2007 Total	2006 Total
Fund that offers flexible death benefits	37	29
	100	100
Flexible Risk Benefits		
0% (0)	3	1
	8.1	3.4
0,01% to 0,50% (0.25)	5	0
	13.5	0
0,51% to 1,00% (0.75)	0	1
	0	3.4
1,01% to 1,50% (1.25)	2	1
	5.4	3.4
1,51% to 2,00% (1.75)	2	5
	5.4	17.2
2,01% to 2,50% (2.25)	2	1
	5.4	3.4
2,51% to 3,00% (2.75)		1
		3.4
3,01% to 3,50% (3.25)	1	3
	2.7	10.3
3,51% to 4,00% (3.75)	1	2
	2.7	6.9
4,01% or more (4.25)	1	1
	2.7	3.4
Not sure	20	13
	54.1	44.8
Total of table	37	29
	100	100

Q5.7 What percentage of salaries is applied to the cost of death benefits/life cover under the fund and under a separate scheme?

	2007 Total	2006 Total
Funds that do not offer flexible death benefits	163 100	159 100
Under the Fund		
0% (0)	3 1.8	11 6.9
0,01% to 0,50% (0.25)	4 2.5	9 5.7
0,51% to 1,00% (0.75)	19 11.7	14 8.8
1,01% to 1,50% (1.25)	30 18.4	16 10.1
1,51% to 2,00% (1.75)	22 13.5	26 16.4
2,01% to 2,50% (2.25)	14 8.6	12 7.5
2,51% to 3,00% (2.75)	8 4.9	11 6.9
3,01% to 3,50% (3.25)	7 4.3	8 5
3,51% to 4,00% (3.75)	4 2.5	1 0.6
4,01% or more (4.25)	5 3.1	8 5
Not sure	23 14.1	28 17.6
Not applicable/no benefit under the fund	24 14.7	14 8.8
Total of table	163 100	158 99.4

Q5.7 What percentage of salaries is applied to the cost of death benefits/life cover under the fund and under a separate scheme?

	2007 Total	2006 Total
Funds that do not offer flexible death benefits	163 100	159 100
Under a Separate Scheme		
0% (0)	12 7.4	8 5
0,01% to 0,50% (0.25)	2 1.2	4 2.5
0,51% to 1,00% (0.75)	12 7.4	6 3.8
1,01% to 1,50% (1.25)	5 3.1	3 1.9
1,51% to 2,00% (1.75)	9 5.5	9 5.7

2,01% to 2,50% (2.25)	5 3.1	3 1.9
2,51% to 3,00% (2.75)	2 1.2	2 1.3
3,01% to 3,50% (3.25)		2 1.3
3,51% to 4,00% (3.75)	1 0.6	1 0.6
4,01% or more (4.25)	5 3.1	3 1.9
Not sure	12 7.4	25 15.7
Not applicable/no benefit under the fund	98 60.1	93 58.5
Total of table	163 100	159 100

Q5.8 What percentage of salaries is applied to the cost of disability benefits under the fund and under a separate scheme? Under the fund

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Under The Fund		
0% (0)	11 5.5	13 6.9
0,01% to 0,50% (0.25)	20 10	11 5.9
0,51% to 1,00% (0.75)	33 16.5	24 12.8
1,01% to 1,50% (1.25)	26 13	26 13.8
1,51% to 2,00% (1.75)	18 9	16 8.5
2,01% to 2,50% (2.25)	8 4	5 2.7
2,51% to 3,00% (2.75)	3 1.5	1 0.5
3,01% to 3,50% (3.25)		3 1.6
3,51% to 4,00% (3.75)	4 2	2 1.1
4,01% or more (4.25)	4 2	4 2.1
Other		2 1.1
Not sure	26 13	42 22.3
Not applicable/no disability	47 23.5	39 20.7
Total of table	200 100	188 100

Q5.8 What percentage of salaries is applied to the cost of disability benefits under the fund and under a separate scheme? Under a separate scheme

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Under a Separate Scheme		
0% (0)	17 8.5	11 5.9
0,01% to 0,50% (0.25)	10 5	10 5.3
0,51% to 1,00% (0.75)	22 11	17 9
1,01% to 1,50% (1.25)	11 5.5	17 9
1,51% to 2,00% (1.75)	8 4	8 4.3
2,01% to 2,50% (2.25)	3 1.5	2 1.1
2,51% to 3,00% (2.75)	2 1	0 0
3,51% to 4,00% (3.75)	0 0	1 0.5
4,01% or more (4.25)	3 1.5	1 0.5
Other		1 0.5
Not sure	15 7.5	30 16
Not applicable/no disability	109 54.5	90 47.9
Total of table	200 100	188 100

Q5.9 Which of the following costs are limited to/capped at a certain fixed percentage?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Costs		
Death benefits	90 45	82 43.6
Disability benefits	88 44	78 41.5
Administration	59 29.5	58 30.9
None	78 39	75 39.9
Not sure	13 6.5	16 8.5
Other	0 0	2 1.1
Total of table	328 164	311 165.4

Q5.10 At what percentage are death benefits capped?

	2007 Total	2006 Total
Death Benefits Capped at a %	90 100	82 100
Percentage		
0,51% to 1,00% (0.75)	8 8.9	3 3.7
1,01% to 1,50% (1.25)	13 14.4	3 3.7
1,51% to 2,00% (1.75)	16 17.8	13 15.9
2,1% to 2,5% (2.25)	9 10	4 4.9
2,6% to 3% (2.75)	8 8.9	9 11
3,1% to 3,5% (3.25)	2 2.2	2 2.4
3,6% to 4% (3.75)	4 4.4	7 8.5
4% or more (4.25)	6 6.7	10 12.2
Not sure	24 26.7	24 29.3
Other		7 8.5
Total of table	90 100	82 100

Q5.11 At what percentage are disability benefits capped?

	2007 Total	2006 Total
Disability Benefits Capped at a %	88 100	78 100
Percentage		
0,51% to 1,00% (0.75)	17 19.3	9 11.5
1,01% to 1,50% (1.25)	8 9.1	7 9
1,51% to 2,00% (1.75)	18 20.5	8 10.3
2,1% to 2,5% (2.25)	7 8	3 3.8
2,6% to 3% (2.75)	3 3.4	5 6.4
3,1% to 3,5% (3.25)	2 2.3	2 2.6
3,6% to 4% (3.75)	3 3.4	5 6.4
4% or more (4.25)	5 5.7	7 9
Not sure	25 28.4	26 33.3

Other		6	7.7
Total of table	88	78	100

Q5.12 If there is a requirement (typically imposed by the administrator) that the employer contribution, net of all costs and disbursements, may not be less than a certain percentage, what is the percentage of payroll?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Percentage of Payroll		
Up to 2%	10	14
	5	7.4
2% to 3%	11	5
	5.5	2.7
More than 3%	26	24
	13	12.8
Not sure	25	26
	12.5	13.8
No requirement	128	118
	64	62.8
Not applicable	0	1
	0	0.5
Total of table	200	188
	100	100

Q5.13 Which of the following does the employer pay?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Employer pays ...		
Fixed contribution only (i.e. total cost to company - no additional costs)	78	84
	39	44.7
Fixed contribution plus the cost of administration	9	7
	4.5	3.7
Fixed contribution plus the cost of risk benefits	11	9
	5.5	4.8
Fixed contribution plus the cost of administration and the cost of risk benefits	98	77
	49	41
Contribution is on salary sacrifice	1	0
	0.5	0
Nothing	1	0
	0.5	0
Other	1	5
	0.5	2.7
Not sure	1	8
	0.5	4.3
Total of table	200	190
	100	101.1

Q5.14 What on average are the employer's total contributions (excluding any contributions made to a separate scheme), expressed as a percentage of total average annual salary?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Employer's Total Contributions		
0% (0)	5	
	2.5	
0,1% to 5% (2.5)	15	14
	7.5	7.4
5,1% to 7,5% (6.25)	36	34
	18	18.1
7,6% to 10% (8.75)	52	40
	26	21.3
10,1% to 11% (10.5)	31	21
	15.5	11.2
11,1% to 12,5% (11.75)	15	23
	7.5	12.2
12,6% to 15% (13.75)	17	17
	8.5	9
15,1% or more (15.5)	26	29
	13	15.4
Other		3
		1.6
Not sure	3	7
	1.5	3.7
Total of table	200	188
	100	100

Q5.15 Can members choose the level of contribution by the employer in terms of a remuneration package restructure arrangement (i.e. salary sacrifice, even though it may only be within certain parameters)?

	2007 Total	2006 Total
Base: All Respondents	200	188
	100	100
Choose Employers Contribution		
Yes	43	34
	21.5	18.1
No	157	152
	78.5	80.9
Not sure		2
		1.1
Total of table	200	188
	100	100

Q5.16 Can members choose their own contribution levels (even though it may only be within certain parameters and at certain intervals)?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Choose Own Contribution		
Yes	53 26.5	47 25
No	147 73.5	140 74.5
Not sure		1 0.5
Total of table	200 100	188 100

Q5.17 What contribution (as a percentage of salary and excluding any additional voluntary contributions) is made by members on average?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Contribution Made By Members		
0% (0)	23 11.5	22 11.7
0,1% to 5% (2.5)	19 9.5	15 8
5,1% to 6% (5.5)	21 10.5	14 7.4
6,1% to 7,4% (6.75)	34 17	36 19.1
7,5% (7.5)	79 39.5	77 41
7,6% to 8% (7.75)	9 4.5	3 1.6
8,1% or more (8.5)	11 5.5	14 7.4
Not sure	4 2	7 3.7
Total of table	200 100	188 100

Q5.18a Does the fund allow for members to make additional voluntary contributions via the fund?

	2007 Total	2006 Total
Base: All Respondents	200 100	
Fund allow members to make additional voluntary contributions		
Yes	109 54.5	
No	86 43	
Not sure	5 2.5	
Total of table	200 100	

Q5.18b What additional voluntary contribution (as a percentage of salary) is made by members on average?

	2007 Total	2006 Total
Respondent who say fund allows members to make additional voluntary contributions	109 100	
Voluntary contribution - percentage of salary		
0% (0)	12 11	
0,1% to 5% (2.5)	52 47.7	
5,1% to 6% (5.5)	3 2.8	
6,1% to 7,4% (6.75)	2 1.8	
7,5% (7.5)	4 3.7	
8,1% or more (8.5)	4 3.7	
Not sure	27 24.8	
No % up to a certain amount each year/ad hoc amounts	5 4.6	
Total of table	109 100	

Q5.19 In your opinion, are the trustees managing the fund to optimize size and stability of retirement benefits or to optimize stability of withdrawal benefits?

	2007 Total	2006 Total
Base: All Respondents	200	100
Trustees managing the fund to...		
Optimize retirement benefits	92	46
Optimize withdrawal benefits	6	3
Both	97	48.5
Not sure	5	2.5
Total of table	200	100

Q5.20 Do you consider that strategies to optimize retirement benefits and strategies to optimize withdrawal benefits are complementary or conflicting?

	2007 Total	2006 Total
Base: All Respondents	200	100
Strategies to optimize retirement/withdrawal benefits are...		
Complementary	149	74.5
Conflicting	45	22.5
Don't know	6	3
Total of table	200	100

Q5.21 Why do you say that? - Complementary

	2007 Total	2006 Total
Strategies to optimize retirement/withdrawal benefits are complementary	149	100
Complementary		
Optimal investment returns/growth means optimal retirement and withdrawal benefits/the two go hand in hand	107	71.8
Funds job is to provide benefits to all	23	15.4
Legislation states that we have to give maximum benefits	6	4
Investment is in a conservative investment portfolio	3	2
Member level investment choice	5	3.4
Same investment strategy	2	1.3
Others	10	6.7
Total of table	156	104.7

Q5.21 Why do you say that? - Conflicting

	2007 Total	2006 Total
Strategies to optimize retirement/withdrawal benefits are conflicting	45	100
Conflicting		
Not prudent to focus on short term	25	55.6
Need to protect low level staff from spending the money	6	13.3
2 Different investment strategies	12	26.7
Others	2	4.4
Total of table	45	100

Q5.22 In your opinion, are members more concerned about retirement savings benefits or death/funeral benefits?

	2007 Total	2006 Total
Base: All Respondents	200 100	
Concerned about		
Retirement savings	103 51.5	
Death/funeral benefits	31 15.5	
Both equally	61 30.5	
Not sure	3 1.5	
White collar retirement-blue collar death	2 1	
Total of table	200 100	

Q6.1 What benefits are paid to dependants on the death of a member before retirement?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Benefits Paid To Dependants		
Lump sum	198 99	183 97.3
Spouse's pension	35 17.5	37 19.7
Children's pension	26 13	31 16.5
Not sure	0 0	2 1.1
Total of table	259 129.5	253 134.6

Q6.1b Are risk benefits provided as part of the fund or are they provided through a separate scheme?

	2007 Total	2006 Total
Base: All Respondents	200 100	
Risk benefits are provided as ...		
Part of the fund	157 78.5	
Separate scheme	62 31	
Total of table	219 109.5	

Q6.2 What is the size of the lump sum payable by the fund (not a separate scheme) on death for members with a spouse's pensions?

	2007 Total	2006 Total
DIFFERENT BASE DEFINITIONS		
Spouse's pension paid on death of member before retirement and risk benefits are provided as part of the fund	30 100	37 100
Size of Sum		
1 x annual salary (1)	2 6.7	2 5.4
2 x annual salary (2.0)	8 26.7	8 21.6
3 x annual salary (3.0)	5 16.7	6 16.2
4 x annual salary (4.0)	3 10	5 13.5
5 x annual salary (5.0)	2 6.7	3 8.1
More than 5 x annual salary (6.0)	1 3.3	1 2.7
Scaled per age band	2 6.7	2 5.4
Depending on years of service	0 0	1 2.7
Fixed amount	1 3.3	0 0
Members have flexible benefits, so it varies from member to member	5 16.7	3 8.1
Not sure	1 3.3	3 8.1
Other		3 8.1
Total of table	30 100	37 100

Q6.3 What is the size of the lump sum payable by the fund (not a separate scheme) on death for members without a spouse's pension?

		2007 Total	2006 Total
DIFFERENT BASE DEFINITIONS			
Spouse's pension is NOT Paid On		127	151
Death Of Member before retirement but risk benefits are provided as part of the fund		100	100
Size of Sum			
1 x annual salary	(1.0)	1 0.8	6 4
1,5 x annual salary	(1.5)	6 4.7	
2 x annual salary	(2.0)	22 17.3	25 15.2
2,5 x annual salary	(2.5)	2 1.6	2 1.3
3 x annual salary	(3.0)	43 33.9	46 30.5
4 x annual salary	(4.0)	14 11	21 13.9
5 x annual salary	(5.0)	10 7.9	14 9.3
More than 5 x annual salary(6.0)		3 2.4	2 1.3
Depending on years of service		1 0.8	2 1.3
Scaled per age band		9 7.1	13 8.6
Members have flexible benefits, so it varies from member to member		16 12.6	8 5.3
Fixed amount			2 1.3
Other			4 2.6
Not sure		2 1.6	8 5.3
Total of table		129 101.6	151 100

Q6.4a Is a lump sum benefit paid to dependants on the death of a member before retirement under a separate scheme (i.e. not by the fund)?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Lump Sum Benefit Paid		
Yes	65 32.5	58 30.9
No	135 67.5	125 66.5
Not sure		5 2.7
Total of table	200 100	188 100

Q6.4b What is the size of the lump sum provided under a separate scheme?

		2007 Total	2006 Total
Lump Sum Benefit Paid on Death of Member			
		65 100	58 100
Size of Sum			
1 x annual salary	(1.0)	1 1.5	2 3.4
2 x annual salary	(2.0)	9 13.8	14 24.1
3 x annual salary	(3.0)	20 30.8	18 31
4 x annual salary	(4.0)	9 13.8	7 12.1
5 x annual salary	(5.0)	5 7.7	6 10.3
More than 5 x annual salary(6.0)		8 12.3	3 5.2
Scaled per age band		4 6.2	3 5.2
Members have flexible benefits, so it varies from member to member		10 15.4	3 5.2
Not sure			2 3.4
Total of table		66 101.5	58 100

Q6.5 Who pays for the benefits provided under separate schemes?

	2007 Total	2006 Total
Lump Sum Benefit Paid on Death of Member	65 100	58 100
Who Pays		
It is deducted from the member contribution	7 10.8	7 12.1
Additional payment by the member	18 27.7	13 22.4
It is deducted from the employer contribution	24 36.9	18 31
Additional payment by the employer	24 36.9	20 34.5
Not sure		5 8.6
Total of table	73 112.3	63 108.6

Q6.6 Does the lump sum payable on death include the member's equitable share or does the member receive his/her equitable share in addition to the lump sum?

	2007 Total	2006 Total
Lump Sum Benefit Paid on Death of Member	65 100	58 100
Includes Member's Equitable Share		
Includes member's equitable share	26 40	28 48.3
Excludes member's equitable share	35 53.8	28 48.3
Not sure	4 6.2	2 3.4
Total of table	65 100	58 100

Q6.8 What is the minimum level of death cover?

	2007 Total	2006 Total
Those offering flexible death benefits	37 100	25 100
Minimum Level of Death Cover		
1 x annual salary (1)	16 43.2	7 28
2 x annual salary (2)	7 18.9	9 36
3 x annual salary (3)	9 24.3	3 12
4 x annual salary (4)	2 5.4	
5 x annual salary or more (5)	1 2.7	
No minimum	2 5.4	
Other		5 20
Not sure		1 4
Mean	2	1.79
Total of table	37 100	25 100

Q6.9 What additional levels of death cover can members choose?

	2007 Total	2006 Total
Those offering flexible death benefits	37 100	25 100
Additional Levels of Death Cover		
Up to 1 x annual salary (1)	1 2.7	1 4
Up to 2 x annual salary (2)	5 13.5	3 12
Up to 3 x annual salary (3)	8 21.6	5 20
Up to 4 x annual salary (4)	6 16.2	2 8
Up to 5 x annual salary (5)	8 21.6	9 36
Over 5 x annual salary (6)	7 18.9	
Other	2 5.4	8 32
Not sure	2 5.4	1 4
None	2 5.4	1 4
Mean	4.03	3.75
Total of table	41 110.8	30 120

Q6.10a In the past year, has the fund had to distribute death benefits to minor orphans?

	2007 Total	2006 Total
Base: All Respondents	200	100
Past year - distributed death benefits to minor orphans		
Yes	115	57.5
No	80	40
Not sure	5	2.5
Total of table	200	100

Q6.10b What is the fund's policy on this issue?

	2007 Total	2006 Total
Base: All Respondents	200	100
Funds policy		
Provide benefits to a legal guardian only	77	38.5
Provide benefits to a guardian, regardless of legal status	17	8.5
Provide benefits to the minor orphan	7	3.5
Depends on each individual case/varies	14	7
Set up a trust/payable to a trust fund/ appoint a legal guardian with a trust fund	84	42
We administer guardian can claim	2	1
No policy	1	0.5
Other	4	2
Don't know	6	3
Total of table	212	106

Q6.11 Does the fund offer a lump sum disability benefit under the fund or a separate scheme?

	2007 Total	2006 Total
Base: All Respondents	200	188
Offer a Lump Sum Disability		
Yes, as an acceleration of a death benefit	57	39
Yes, as a separate benefit to a death benefit	33	48
No lump sum benefit is provided	109	94
Both	0	4
Don't know	1	3
Total of table	200	188

Q6.11a Which of the following best describes the lump sum disability benefit?

	2007 Total	2006 Total
Offers a Lump Sum Disability Benefit	90	87
Lump Sum Disability Benefit		
75% of salary till retirement date (0.75)	2	0
Multiple of salary, 1 x annual salary (1)	11	8
Multiple of salary, 1,5 x annual salary (1.5)	6	2
Multiple of salary, 2 x annual salary (2)	28	16
Multiple of salary, 2,5 x annual salary (2.5)	1	1
Multiple of salary, 3 x annual salary (3)	21	21
Multiple of salary, 4 x annual salary (4)	9	10
Multiple of salary, more than 4 x annual salary (5)	4	3
Other	5	27
Don't know	4	3
Mean	2.43	2.68
Total of table	91	91

Q6.12 What disability benefits does the fund provide under a separate scheme? - Permanent Disability

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Permanent Disability		
Lump sum & income	8 4	11 5.9
Lump sum only	11 5.5	23 12.2
Monthly income only	79 39.5	72 38.3
Temporary income followed by lump sum	2 1	7 3.7
None	97 48.5	68 36.2
Don't know	3 1.5	7 3.7
Total of table	200 100	188 100

Q6.12 What disability benefits does the fund provide under a separate scheme? - Temporary Disability

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Temporary Disability		
Lump sum only	2 1	4 2.1
Lump sum & income	5 2.5	
Monthly income only	69 34.5	72 38.3
Temporary income followed by lump sum	3 1.5	9 4.8
None	115 57.5	97 51.6
Don't know	6 3	6 3.2
Total of table	200 100	188 100

Q6.13 What permanent disability income benefits expressed as a percentage of annual salary does the fund offer?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Permanent Disability Income Benefits		
Less than 50%	4 2	5 2.7
50% to 59%	5 2.5	3 1.6
60% to 74%	16 8	13 6.9
75%	116 58	91 48.4
100% for first two years and 75% thereafter (LOA scales)	10 5	10 5.3
Other combination averaging over 75%	3 1.5	5 2.7
Other combination averaging under 75%	1 0.5	8 4.3
Maximum 100% for 6 months only	1 0.5	
Lump sum only	1 0.5	
Not sure	18 9	23 12.2
Not applicable	29 14.5	30 16
Total of table	204 102	188 100

Q6.14 How are increases in permanent disability income determined?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
How Determined		
There are no increases	36 18	46 24.5
Fixed percentage according to the rules	43 21.5	31 16.5
Ad hoc	12 6	10 5.3
Ad hoc subject to a minimum	3 1.5	3 1.6
Defined as a percentage of CPI with no maximum	28 14	22 11.7
Defined as a percentage of CPI with a fixed maximum (capped)	43 21.5	32 17
Not sure	25 12.5	34 18.1

Not applicable	11 5.5	10 5.3
Total of table	201 100.5	188 100

Q6.15 What fixed percentage is used?

	2007 Total	2006 Total
Fixed percentage according to the rules	43 100	31 100
Percentage		
Up to 3% p.a. (3.0)	4 9.3	3 9.7
3,01% to 4% p.a. (3.5)	1 2.3	1 3.2
4,01% to 5% p.a. (4.5)	20 46.5	11 35.5
5,01% to 6% p.a. (5.5)	1 2.3	4 12.9
6,01% to 7% p.a. (6.5)	2 4.7	3 9.7
7,01% to 8% p.a. (7.5)	2 4.7	1 3.2
More than 8% p.a. (8.5)	3 7	3 9.7
Not sure	10 23.3	5 16.1
Total of table	43 100	31 100

Q6.16 What is the percentage of increase in CPI used?

	2007 Total	2006 Total
Defined as a percentage of CPI	71 100	54 100
Percentage		
50% or less (50)	10 14.1	7 13
51% to 74% (63)	1 1.4	
75% (75)	4 5.6	3 5.6
75% to 99% (67)	7 9.9	2 3.7
100% (100)	34 47.9	28 51.9
Not sure	15 21.1	12 22.2
Other		2 3.7
Total of table	71 100	54 100

Q6.17 Does the fund re-insure a waiver of employer contributions?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Re-insure a waiver of employer contributions		
Yes	70 35	69 36.7
No	104 52	91 48.4
Not sure	26 13	28 14.9
Total of table	200 100	188 100

Q.6.17a What percentage is re-insured?

	2007 Total	2006 Total
Total Reinsuring	70 100	69 100
Percentage		
0% (0)		1 1.4
0,1% to 5% (0.25)	13 18.6	11 15.9
5,1% to 7,5% (6.25)	9 12.9	6 8.7
7,6% to 10% (8.75)	15 21.4	11 15.9
10,1% to 12,5% (11.25)	8 11.4	8 11.6
12,6% to 15% (13.75)	7 10	6 8.7
15,1% or more (15.50)	7 10	9 13
Not sure	11 15.7	17 24.6
Total of table	70 100	69 100

Q6.18 Does the fund re-insure a waiver of employee contributions?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Re-insure a waiver of employee contributions		
Yes	23 11.5	16 8.5
No	153 76.5	147 78.2
Not sure	24 12	25 13.3
Total of table	200 100	188 100

Q.18a What percentage is re-insured?

	2007 Total	2006 Total
Total Reinsuring	23 100	16 100
Percentage		
0,1% to 5% (0.25)	4 17.4	2 12.5
5,1% to 7,5% (6.25)	9 39.1	2 12.5
7,6% to 10% (8.75)	1 4.3	0 0
10,1% to 12,5% (11.25)	1 4.3	0 0
12,6% to 15% (13.75)	0 0	1 6.3
15,1% or more (15.50)	2 8.7	1 6.3
Not sure	6 26.1	10 62.5
Total of table	23 100	16 100

Q6.19 Which of the following benefits are offered under separate schemes?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Benefits Offered		
Trauma cover	12 6	9 4.8
Funeral cover	107 53.5	95 50.5
Personal accident cover	2 1	0 0
Spouse insurance	2 1	0 0

Group accident cover	1 0.5	0 0
Not sure	1 0.5	0 0
Other	1 0.5	7 3.7
None	85 42.5	88 46.8
Total of table	211 105.5	199 105.9

Q6.20 What on average is the level of trauma cover offered?

	2007 Total	2006 Total
Trauma Cover Offered	12 100	9 100
Level of trauma cover offered		
1 x annual salary	5 41.7	3 33.3
2 x annual salary	2 16.7	4 44.4
3 x annual salary	1 8.3	0 0
Fixed amount	1 8.3	1 11.1
Varies-trustees and medical aid decide	1 8.3	
Not sure	1 8.3	
Other	1 8.3	1 11.1
Total of table	12 100	9 100

Q6.22 Who is entitled to trauma cover?

	2007 Total	2006 Total
Trauma Cover Offered	12 100	9 100
Entitled to trauma cover		
All members	11 91.7	6 66.7
Only certain categories (e.g. senior management)	1 8.3	2 22.2
Not sure		1 11.1
Total of table	12 100	9 100

Q6.23 Who pays for the trauma cover?

	2007 Total	2006 Total
Trauma Cover Offered	12 100	9 100
Pays for the trauma		
Deducted from the employer contribution	3 25	3 33.3
Additional payment by the employer	6 50	3 33.3
Deducted from the member contribution	1 8.3	1 11.1
Additional payment by the member	4 33.3	2 22.2
Summary		
Any employer paid	9 75	6 66.7
Any member paid	5 41.7	3 33.3
Total of table	14 116.7	9 100

Q6.24 Who is covered under the funeral benefit?

	2007 Total	2006 Total
Funeral Cover Offered	107 100	95 100
Covered under funeral benefit		
Member	107 100	94 98.9
Spouse	101 94.4	88 92.6
Children aged 14 to 21	101 94.4	81 85.3
Children aged 6 to 13	99 92.5	79 83.2
Children aged 0 to 5	99 92.5	80 84.2
Parents and parents-in-law	19 17.8	17 17.9
Additional spouses	10 9.3	17 17.9
Not sure		1 1.1
Summary		
Any children	101 94.4	81 85.3
Any extended family	20 18.7	23 24.2
Total of table	536 500.9	457 481.1

Q6.25 Who is entitled to the funeral cover option?

	2007 Total	2006 Total
Funeral Cover Offered	107 100	95 100
Entitled to funeral cover option		
All members	102 95.3	88 92.6
Only certain categories (e.g. senior management)	5 4.7	4 4.2
Not sure		3 3.2
Total of table	107 100	95 100

Q6.26a What is the amount of funeral cover for members?

	2007 Total	2006 Total
Funeral Cover Offered - members	107 100	94 100
Amount of funeral cover for member		
Up to - 04000	9 8.4	7 7.5
04001 - 05000	23 21.5	22 23.4
05001 - 06000	4 3.7	4 4.3
06001 - 07000	5 4.7	8 8.5
07001 - 08000	7 6.5	11 11.7
08001 - 09000	1 0.9	3 3.2
09001 - 10000	51 47.7	24 25.5
10001 - 15000	2 1.9	3 3.2
20000		2 2.1
25000		1 1.1
Any combination they wish/varies		3 3.2
Pay for whole funeral whatever the cost		1 1.1
Others		1 1.1
Dont' know	5 4.7	4 4.3
Total of table	107 100	94 100

Q6.26b What is the amount of funeral cover for a spouse?

	2007 Total	2006 Total
Funeral Cover Offered - spouse	101	88
	100	100
Amount of funeral cover for spouse		
Up to - 04000	8	7
	7.9	7.8
04001 - 05000	22	24
	21.8	27.2
05001 - 06000	2	4
	2	4.5
06001 - 07000	4	8
	4	9.1
07001 - 08000	7	10
	6.9	11.3
08001 - 09000	1	3
	1	3.4
09001 - 10000	48	20
	47.5	22.7
10001 - 15000	2	3
	2	3.4
20000		1
		1.1
Any combination they wish/varies		3
		3.4
Pay for whole funeral whatever the cost		1
		1.1
Don't know	7	4
	6.9	4.5
Total of table	101	88
	100	100

Q6.26c What is the amount of funeral cover for children aged 14 to 21?

	2007 Total	2006 Total
Funeral Cover Offered - children aged 14 to 21	101	81
	100	100
Amount of funeral cover for children aged 14-21yrs		
Up to - 04000	11	20
	10.9	24.7
04001 - 05000	32	20
	31.7	24.7
05001 - 06000	1	3
	1	3.7
06001 - 07000	4	7
	4	8.6
07001 - 08000	10	3
	9.9	3.7
08001 - 09000	1	2
	1	2.5
09001 - 10000	31	15
	30.7	18.5

15000		2
		2.5
20000		1
		1.2
Any combination they wish/varies		2
		2.5
Pay for whole funeral whatever the cost		1
		1.2
Don't know	11	5
	10.9	6.2
Total of table	101	81
	100	100

Q6.26d What is the amount of funeral cover for children aged 6 to 13?

	2007 Total	2006 Total
Funeral Cover Offered - children aged 6 to 13	99	79
	100	100
Amount of funeral cover for children aged 6-13yrs		
Up to - 02000	16	21
	16.2	26.6
02001 - 03000	17	17
	17.2	21.5
03001 - 04000	6	8
	6.1	10.1
04001 - 05000	37	20
	37.4	25.3
05001 - 06000	1	2
	1	2.5
06001 - 07000	3	1
	3	1.3
07001 - 08000	2	2
	2	2.5
09001 - 10000	7	3
	7.1	3.8
Any combination they wish/varies		2
		2.5
Pay for whole funeral whatever the cost		1
		1.3
Don't know	10	4
	10.1	5.1
Total of table	99	81
	100	102.5

Q6.26e What is the amount of funeral cover for children aged 0 to 5?

	2007 Total	2006 Total
Funeral Cover Offered - children aged 0 to 5	99 100	80 100
Amount of funeral cover for children aged 0-5yrs		
Up to - 00750	10 10.1	9 11.3
00751 - 01000	5 5.1	12 15
01001 - 01500	16 16.2	9 11.3
01501 - 02000	6 6.1	14 17.6
02001 - 02500	19 19.2	11 13.8
02501 - 03000	9 9.1	7 8.8
03001 - 04000	1 1	4 5.1
04001 - 05000	12 12.1	4 5
05001 - 06000	1 1	1 1.3
06001 - 07000	2 2	
07001 - 08000	1 1	
08001 +	8 8.1	2 2.5
Any combination they wish/varies		2 2.5
Pay for whole funeral whatever the cost		1 1.3
Don't know	9 9.1	4 5
Total of table	99 100	80 100

Q6.26f What is the amount of funeral cover for parents and parents-in-law?

	2007 Total	2006 Total
Funeral Cover Offered - parents and parents-in-law	19 100	17 100
Amount of funeral cover for parents and parents-in-law		
Up to - 04000	6 31.6	4 23.5
04001 - 05000	5 26.3	5 29.4
09001 - 10000	3 15.8	1 5.9
Mean	4600	2558.82
Sliding scale		1 5.9
Any combination they wish/varies		3 17.6
Don't know	5 26.3	3 17.6
Total of table	19 100	17 100

Q6.26g What is the amount of funeral cover for additional spouses?

	2007 Total	2006 Total
Funeral Cover Offered - additional spouses	10 100	17 100
Amount of funeral cover for additional spouses		
Up to - 04000	2 20	5 29.4
04001 - 05000	1 10	5 29.4
07001 - 08000	1 10	1 5.9
09001 - 10000	4 40	1 5.9
10001+		1 5.9
Any combination they wish/varies		2 11.8
Don't know	2 20	2 11.8
Total of table	10 100	17 100

Q6.27 Who pays for the funeral cover benefits?

	2007 Total	2006 Total
Funeral Cover Offered	107 100	95 100
Pays for funeral cover benefits		
Deducted from the employer contribution	52 48.6	42 44.2
Additional payment by the employer	17 15.9	21 22.1
Deducted from the member contribution	9 8.4	9 9.5
Additional payment by the member	30 28	29 30.5
Not sure	1 0.9	0 0
Paid from employees surplus within the fund	1 0.9	0 0
Summary		
Any employer paid	68 63.6	0 0
Any member paid	39 36.4	0 0
Others		1 1.1
Total of table	110 102.8	102 107.4

Q7.1 When a member's employment with the participating employer terminates (i.e. on withdrawal), which of the following apply?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Member's employment terminates		
The member must either take his/her benefit in cash or transfer it to another fund	187 93.5	177 94.1
The member may select a deferred/paid up pension and leave the benefit in the fund	34 17	34 18.1
The member may select to transfer his/her benefit to a preservation fund identified in the rules of the fund	121 60.5	107 56.9
Not sure	1 0.5	0 0
Total of table	343 171.5	318 169.1

Q7.2 On withdrawal, which of the following situations apply in the fund?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Situations		
The fund and/or the employer provides the member with the information recommended in PF86	118 59	93 49.5
The fund, in terms of a written strategy, arranges for an adviser to counsel and advise the member	71 35.5	70 37.2
None of the above	35 17.5	47 25
Not sure	10 5	10 5.3
Total of table	234 117	220 117

Q7.3 Is a conversion/continuation option offered on death and disability cover, either under the Fund or separate scheme?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Options Offered on Death and Disability		
On both death and disability cover	52 26	40 21.3
On death cover only	22 11	18 9.6
On disability cover only	7 3.5	6 3.2
Neither	97 48.5	96 51.1
Not sure	22 11	28 14.9
Total of table	200 100	188 100

Q8.1 Which of the following annuity products" is a member allowed to purchase?"

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Annuity Products		
The annuity provided ex the fund	22 11	19 10.1
Only annuity products specified by the fund/trustees	13 6.5	13 6.9
The member may select, but is not compelled to purchase an annuity product identified in the rules of the fund	33 16.5	33 17.6
Any annuity product of the member's choice	157 78.5	134 71.3
Not a living/flexible annuity/ILLA	4 2	7 3.7
Conditions apply in respect of a living/flexible annuity/ILLA	12 6	5 2.7
Other	1 0.5	13 6.9
Don't know	0 0	1 0.5
None	0 0	2 1.1
Not applicable	0 0	1 0.5
Total of table	242 121	228 121.3

Q8.2 Where is a member allowed to purchase an annuity from?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Insurer		
One specified insurer	12 6	6 3.2
A number of specified insurers	5 2.5	10 5.3
Any insurer	178 89	161 85.6
Not sure	5 2.5	5 2.7
Not applicable	0 0	6 3.2
Total of table	200 100	188 100

Q9.1 How frequently does the fund credit investment returns to members' accounts?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Frequency		
Daily	27 13.5	27 14.4
Weekly	1 0.5	1 0.5
Monthly	125 62.5	92 48.9
Annually	25 12.5	39 20.7
Quarterly	1 0.5	0 0
6 Monthly	1 0.5	0 0
Not sure	20 10	26 13.8
		3 1.6
Total of table	200 100	188 100

Q9.2 Does the fund provide for member-directed investment choice?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Fund provide for member-directed investment choice		
Yes, to all members	79 39.5	68 36.2
Yes, to certain categories of member only	7 3.5	15 8
No	112 56	98 52.1
Not sure	2 1	7 3.7
Total of table	200 100	188 100

Q9.4 Which of the following investment alternatives does the fund provide in each of the investment types?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Investments		
Life Stage Mandates	46 53.5	32 38.6
Individual Broker Mandates	13 15.1	7 8.4
Cash Unspecified	21 24.4	
• Cash	27 31.4	23 27.7
• Money Market	36 41.9	54 65.1
Smoothed Bonus/Guaranteed Products Unspecified	14 16.3	
• Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)	25 29.1	29 34.9
• Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)	13 15.1	16 19.3
• Structured Products	9 10.5	17 20.5
Absolute Return Unspecified	11 12.8	
• CPI plus 5% or less	20 23.3	14 16.9
• CPI plus more than 5%	11 12.8	14 16.9
Conservative Linked Unspecified	16 18.6	
• Single Managers (Segregated or Pooled)	22 25.6	21 25.3
• Multi-Manager	29 33.7	40 48.2
• Unit Trust Mandates	7 8.1	5 6
Moderate Linked Unspecified	17 19.8	
• Single Managers (Segregated or Pooled)	24 27.9	25 30.1
• Multi-Manager	25 29.1	48 57.8
• Unit Trust Mandates	12 14	6 7.2
Aggressive Linked Unspecified	15 17.4	
• Single Managers (Segregated or Pooled)	24 27.9	25 30.1
• Multi-Managers	30 34.9	45 54.2
• Unit Trust Mandates	10 11.6	8 9.6
Don't Know	2 2.3	2 2.4
Total of table	479 557	431 519.3

Q9.5 Within each investment type, how many different investment alternatives does the fund offer?

	2007 Total	2006 Total
Life Stage Mandates		
Mean	2.54	1.9
Individual Broker Mandates		
Mean	4.1	3.14
Cash Unspecified		
Mean	1.8	
• Cash		
Mean	2.09	1.45
• Money Market		
Mean	1.77	1.46
Smoothed Bonus/Guaranteed Products Unspecified		
Mean	2.09	
• Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)		
Mean	1.74	1.48
• Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)		
Mean	2.27	1.94
• Structured Products		
Mean	3.33	2.07
Absolute Return Unspecified		
Mean	2.5	
• CPI plus 5% or less		
Mean	1.87	1.71
• CPI plus more than 5%		
Mean	1.86	1.77
Conservative Linked Unspecified		
Mean	2.54	
• Single Managers (Segregated or Pooled)		
Mean	1.59	1.95
• Multi-Manager		
Mean	2.17	1.81
• Unit Trust Mandates		
Mean	2.33	3.6
Moderate Linked Unspecified		
Mean	2.54	
• Single Managers (Segregated or Pooled)		
Mean	2.39	1.67
• Multi-Manager		
Mean	1.9	1.73
• Unit Trust Mandates		
Mean	2.78	3.17
Aggressive Linked Unspecified		
Mean	2.17	
• Single Managers (Segregated or Pooled)		
Mean	2.05	1.71
• Multi-Managers		
Mean	2.13	1.83
• Unit Trust Mandates		
Mean	2.17	2.88

Q9.6a Which one of the following investment profiles constitutes the most important component of the Trustee choice or Default option?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Most important		
Life Stage Mandates	31 36	16 19.3
Individual Broker Mandates	1 1.2	1 1.2
• Cash	1 1.2	5 6
• Money Market	2 2.3	8 9.6
Smoothed Bonus/Guaranteed Products Unspecified	3 3.5	
• Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)	6 7	11 13.3
• Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)	2 2.3	3 3.6
• Structured Products		2 2.4
Absolute Return		
• CPI plus 5% or less	1 1.2	2 2.4
• CPI plus more than 5%	2 2.3	2 2.4
Conservative Linked Unspecified	1 1.2	
• Multi-Manager	3 3.5	2 2.4
Moderate Linked Unspecified	2 2.3	
• Single Managers (Segregated or Pooled)	6 7	9 10.8
• Multi-Manager	10 11.6	5 6
• Unit Trust Mandates	1 1.2	0 0
Aggressive Linked Unspecified	1 1.2	
• Single Managers (Segregated or Pooled)	3 3.5	2 2.4
• Multi-Managers	1 1.2	2 2.4
• Unit Trust Mandates	1 1.2	3 3.6
Don't know	8 9.3	9 10.8
Not applicable		1 1.2
Total of table	86 100	83 100

Q9.6b And which is the second most important component?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Second Most Important Component		
Life Stage Mandates	1 1.2	1 1.2
Cash Unspecified	2 2.3	
• Cash	1 1.2	2 2.4
• Money Market	5 5.8	3 3.6
Smoothed Bonus/Guaranteed Products Unspecified	4 4.7	
• Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)	3 3.5	2 2.4
• Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)	2 2.3	4 4.8
• Structured Products	1 1.2	3 3.6
Absolute Return Unspecified	2 2.3	
• CPI plus 5% or less	3 3.5	3 3.6
• CPI plus more than 5%	4 4.7	2 2.4
Conservative Linked		
• Single Managers (Segregated or Pooled)	6 7	4 4.8
• Multi-Manager	7 8.1	3 3.6
Moderate Linked Unspecified	1 1.2	
• Single Managers (Segregated or Pooled)	6 7	6 7.2
• Multi-Manager	3 3.5	16 19.3
• Unit Trust Mandates	4 4.7	2 2.4
Aggressive Linked Unspecified	5 5.8	
• Single Managers (Segregated or Pooled)	3 3.5	4 4.8
• Multi-Managers	4 4.7	2 2.4
• Unit Trust Mandates	1 1.2	1 1.2
Don't know	18 20.9	24 28.9
Not applicable	0 0	1 1.2
Total of table	86 100	83 100

Q9.7 What proportion of the fund's membership relies upon the Trustee choice or Default option based on research or your best estimate?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Based on Research		
• 0% to 10% (5)	5 5.8	4 4.8
• 20,1% to 30% (25)		1 1.2
• 30,1% to 40% (35)		1 1.2
• 50,1% to 60% (55)	3 3.5	
• 60,1% to 70% (65)		2 2.4
• 70,1% to 80% (75)	1 1.2	1 1.2
• 80,1% to 90% (85)	9 10.5	6 7.2
• 90,1% to 100% (95)	19 22.1	16 19.3
Don't know	2 2.3	7 8.4
Total of table	39 45.3	38 45.8

Q9.7 What proportion of the fund's membership relies upon the Trustee choice or Default option based on research or your best estimate?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Based on estimate		
• 0% to 10% (5)	6 7	4 4.8
• 10,1% to 20% (15)	6 7	3 3.6
• 20,1% to 30% (25)	3 3.5	6 7.2
• 30,1% to 40% (35)	3 3.5	3 3.6
• 40,1% to 50% (45)	2 2.3	3 3.6
• 50,1% to 60% (55)	3 3.5	5 6
• 60,1% to 70% (65)	1 1.2	1 1.2
• 70,1% to 80% (75)	5 5.8	6 7.2

• 80,1% to 90% (85)	7 8.1	5 6
• 90,1% to 100% (95)	7 8.1	8 9.6
Don't know	4 4.7	1 1.2
Total of table	47 54.7	45 54.2

Q9.7 What proportion of the fund's membership relies upon the Trustee choice or Default option based on research or your best estimate?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Based on Research/estimate		
• 0% to 10% (5)	11 12.8	8 9.6
• 10,1% to 20% (15)	6 7	3 3.6
• 20,1% to 30% (25)	3 3.5	7 8.4
• 30,1% to 40% (35)	3 3.5	4 4.8
• 40,1% to 50% (45)	2 2.3	3 3.6
• 50,1% to 60% (55)	6 7	5 6
• 60,1% to 70% (65)	1 1.2	3 3.6
• 70,1% to 80% (75)	6 7	7 8.4
• 80,1% to 90% (85)	16 18.6	11 13.3
• 90,1% to 100% (95)	26 30.2	24 28.9
Don't know	6 7	8 9.6
Total of table	86 100	83 100

Q9.8 When a fund moves to investment choice, there is a fee (known as a switching fee) for switching between investment portfolios in addition to the administration fee. Referring to the basic administration fee, not the switching fee, which one of the following applies?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Basic administration fee		
All members pay the same administration fee	78 90.7	68 81.9
Members who do not exercise choice pay a lower administration fee	3 3.5	12 14.5
No charge	3 3.5	
Company pays the fee	1 1.2	
Others		3 3.6
Don't know	1 1.2	
Total of table	86 100	83 100

Q9.9 By what percentage is the basic administration fee adjusted for members who exercise investment choice?

	2007 Total	2006 Total
Members who do not exercise choice pay a lower administration fee	3 100	12 100
Percentage basic admin fee adjusted		
Up to 5%	(3) 1 33.3	5 41.7
6% to 9%	(7.5)	1 8.3
10% to 14%	(12)	1 8.3
25% to 29%	(27)	1 8.3
35% and more	(37) 1 33.3	
Not sure		4 33.3
No answer	1 33.3	
Total of table	3 100	12 100

Q9.10 How frequently is switching allowed?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Frequency of switching		
Daily	18 20.9	13 15.7
Weekly	2 2.3	1 1.2
Monthly	34 39.5	31 37.3
Quarterly	4 4.7	4 4.8
Half-yearly	8 9.3	6 7.2
Annually	15 17.4	17 20.5
2x Month	1 1.2	
Never	3 3.5	9 10.8
Other		2 2.4
Don't know	1 1.2	
Total of table	86 100	83 100

Q9.11 How satisfied are you with the fund's flexible investment choice?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice	86 100	83 100
Satisfaction with fund's flexible choice		
Very satisfied	(5) 41 47.7	38 45.8
Satisfied	(4) 36 41.9	31 37.3
Neutral	(3) 6 7	11 13.3
Dissatisfied	(2) 3 3.5	2 2.4
Very dissatisfied	(1)	1 1.2
Mean	4.44	4.31
Summary		
Very satisfied	77 89.5	69 83.1
Very/dissatisfied	3 3.5	3 3.6
Total of table	86 100	83 100

Q9.11b Why do you say so?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice - Very satisfied/satisfied	77 100	69 100
Reasons - Positive		
Can move quickly	3 3.9	0 0
Gives members the choice/control/decision	9 11.7	0 0
Members happy with choices available	12 15.6	0 0
Variety of choices/multiple options/flexibility to cover needs	29 37.7	0 0
Fund doing well/comply reasonably with relevant benchmarks/good growth	22 28.6	0 0
Life style mandate option for all age groups	2 2.6	0 0
Multi managers expertise to ensure just good ROI	1 1.3	0 0
Can hedge the money	1 1.3	0 0
Covers rises and falls in the market	5 6.5	0 0
Fund is not complicated	4 5.2	0 0
Based on good service received	6 7.8	0 0
Well structured	1 1.3	0 0
Sufficient/appropriate/large number of products to choose from	0 0	32 46.4
Provides for different risk appetites/ offers conservative, moderate, aggressive portfolios	0 0	9 13
Provides for different age profiles/ life stages	0 0	5 7.2
Investment managers do a good job/ investments are well managed	0 0	7 10.1
Performance has been pretty good across the spectrum/performance of funds has been good	0 0	12 17.4
Other positive	0 0	14 20.3
Don't know	0 0	2 2.9
Total of table	95 123.4	81 117.4

Q9.11b Why do you say so?

	2007 Total	2006 Total
Fund Provides for Member-Directed Investment Choice - Very dissatisfied/dissatisfied	3 100	3 100
Reasons - Negative		
Would like more choice/ greater flexibility	0 0	1 33.3
Other negative	0 0	3 100
Some good choices some bad	1 33.3	0 0
Not advised by trustees/administrators of change	1 33.3	0 0
Need to offer an aggressive choice for younger members	1 33.3	0 0
Total of table	3 100	4 133.3

Q9.12 Does the fund plan to offer flexible investment choice to members in the future?

	2007 Total	2006 Total
Fund does not/not sure provide for member direct investment choice	114 100	105 100
Plan to offer investment choice		
Yes, within the next three years	18 15.8	12 11.4
Considering it	21 18.4	19 18.1
Definitely not	54 47.4	53 50.5
Uncertain	21 18.4	21 20
Total of table	114 100	105 100

Q9.13a Which of the following investment vehicles does the fund invest in?

	2007 Total	2006 Total
Fund does not/not sure provide for member direct investment choice	114 100	105 100
Investment vehicles		
Life Stage Mandates	4 3.5	1 1
Individual Broker Mandates	7 6.1	4 3.8
Cash Unspecified	3 2.6	
• Cash	15 13.2	22 21
• Money Market	15 13.2	24 22.9
Smoothed Bonus/Guaranteed Products Unspecified	20 17.5	
• Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)	18 15.8	16 15.2
• Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)	22 19.3	22 21
• Structured Products	5 4.4	8 7.6
Absolute Return Unspecified	6 5.3	
• CPI plus 5% or less	5 4.4	7 6.7
• CPI plus more than 5%	8 7	12 11.4
Conservative Linked Unspecified	10 8.8	
• Single Managers (Segregated or Pooled)	5 4.4	4 3.8
• Multi-Manager	17 14.9	10 9.5
• Unit Trust Mandates	1 0.9	1 1
Moderate Linked Unspecified	9 7.9	
• Single Managers (Segregated or Pooled)	12 10.5	4 3.8
• Multi-Manager	29 25.4	14 13.3
• Unit Trust Mandates	6 5.3	5 4.8
Aggressive Linked Unspecified	10 8.8	0 0
• Single Managers (Segregated or Pooled)	5 4.4	8 7.6
• Multi-Managers	10 8.8	6 5.7
• Unit Trust Mandates	2 1.8	3 2.9
Don't know	13 11.4	36 34.3
Total of table	257 225.4	207 197.1

Q9.13b And, what percentage of the fund's assets are invested in each? - Life Stage Mandates

	2007 Total	2006 Total
Life Stage Mandates	4 100	1 100
Percentage of fund's assets		
100%	1 25	1 100
90-99	1 25	0 0
20-29	1 25	0 0
Don't know	1 25	0 0
Total of table	4 100	1 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Individual Broker Mandates

	2007 Total	2006 Total
Individual Broker Mandates	7 100	4 100
Percentage of fund's assets		
100%	3 42.9	2 50
	0 0	1 25
50-59	1 14.3	0 0
	0 0	1 25
Don't know	3 42.9	0 0
Total of table	7 100	4 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Cash Unspecified

	2007 Total	2006 Total
Cash Unspecified	3	
	100	
Percentage of fund's assets		
50-59	1	
	33.3	
10-19	1	
	33.3	
Don't know	1	
	33.3	
Total of table	3	
	100	

Q9.13b And, what percentage of the fund's assets are invested in each? - Cash

	2007 Total	2006 Total
Cash	15	22
	100	100
Percentage of fund's assets		
100%		1
		4.5
30-39	0	2
	0	9.1
20-29	1	0
	6.7	0
10-19	2	3
	13.3	13.6
1-9	5	7
	33.3	31.8
Don't know	7	9
	46.7	40.9
Total of table	15	22
	100	100

Q9.13b And, what percentage of the fund's assets are invested in each? - Money Market

	2007 Total	2006 Total
Money Market	15	24
	100	100
Percentage of fund's assets		
60-69	1	0
	6.7	0
50-59	0	1
	0	4.2
20-29	1	
	6.7	16.7
10-19	2	5
	13.3	20.8
1-9	3	7
	20	29.2
Don't know	8	7
	53.3	29.2
Total of table	15	24
	100	100

Q9.13b And, what percentage of the fund's assets are invested in each? - Smoothed Bonus/Guaranteed Products Unspecified

	2007 Total	2006 Total
Smoothed Bonus/Guaranteed Products Unspecified	20	
	100	
Percentage of fund's assets		
100%	5	
	25	
80-89	1	
	5	
40-49	1	
	5	
30-39	1	
	5	
Don't know	12	
	60	
Total of table	20	
	100	

Q9.13b And, what percentage of the fund's assets are invested in each? -
Smoothed Bonus - fully vesting

	2007 Total	2006 Total
Smoothed Bonus - fully vesting	18 100	16 100
Percentage of fund's assets		
100%	5 27.8	5 31.3
90-99	1 5.6	1 6.3
70-79	2 11.1	2 12.5
60-69	1 5.6	2 12.5
50-59	2 11.1	0 0
30-39	1 5.6	0 0
20-29	1 5.6	2 12.5
10-19	1 5.6	1 6.3
1-9	1 5.6	1 6.3
Don't know	3 16.7	2 12.5
Total of table	18 100	16 100

Q9.13b And, what percentage of the fund's assets are invested in each? -
Smoothed Bonus - partially vesting

	2007 Total	2006 Total
Smoothed Bonus - partially vesting	22 100	22 100
Percentage of fund's assets		
100%	12 54.5	7 31.8
90-99	0 0	1 4.5
80-89	0 0	1 4.5
70-79	1 4.5	1 4.5
60-69	1 4.5	1 4.5
50-59	1 4.5	4 18.2
40-49	0 0	2 9.1
20-29	0 0	1 4.5
1-9	1 4.5	0 0
Don't know	6 27.3	4 18.2
Total of table	22 100	22 100

Q9.13b And, what percentage of the fund's assets are invested in each? -
Structured Products

	2007 Total	2006 Total
Structured Products	5 100	8 100
Percentage of fund's assets		
70-79	0 0	1 12.5
20-29	2 40	0 0
10-19	0 0	2 25
Don't know	3 60	5 62.5
Total of table	5 100	8 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Absolute Returns Unspecified

	2007 Total	2006 Total
Absolute Returns Unspecified	6	
	100	
Percentage of fund's assets		
10-19	1	
	16.7	
Don't know	5	
	83.3	
Total of table	6	
	100	

Q9.13b And, what percentage of the fund's assets are invested in each? - Absolute returns-CPI plus 5% and less

	2007 Total	2006 Total
Absolute returns-CPI plus 5% and less	5	7
	100	100
Percentage of fund's assets		
100%	1	1
	20	14.3
80-89	0	2
	0	28.6
70-79	0	1
	0	14.3
30-39	1	0
	20	0
20-29	1	0
	20	0
Don't know	2	3
	40	42.9
Total of table	5	7
	100	100

Q9.13b And, what percentage of the fund's assets are invested in each? - Absolute Return - CPI plus more than 5%

	2007 Total	2006 Total
Absolute Return - CPI plus more than 5%	8	12
	100	100
Percentage of fund's assets		
100%	1	1
	12.5	8.3
70-79	0	1
	0	8.3
50-59	0	1
	0	8.3
30-39	1	2
	12.5	16.7
20-29	0	1
	0	8.3
1-9	1	0
	12.5	0
Don't know	5	6
	62.5	50
Total of table	8	12
	100	100

Q9.13b And, what percentage of the fund's assets are invested in each? - Conservative Linked Unspecified

	2007 Total	2006 Total
Conservative Linked Unspecified	10	
	100	
Percentage of fund's assets		
30-39	1	
	10	
10-19	2	
	20	
Don't know	7	
	70	
Total of table	10	
	100	

Q9.13b And, what percentage of the fund's assets are invested in each? -
Conservative Linked - Single Managers
(Segregated or Pooled)

	2007 Total	2006 Total
Conservative Linked - Single Managers (Segregated or Pooled)	5 100	4 100
Percentage of fund's assets		
60-69	0 0	1 25
50-59	2 40	0 0
40-49	1 20	0 0
20-29	0 0	2 50
Don't know	2 40	1 25
Total of table	5 100	4 100

Q9.13b And, what percentage of the fund's assets are invested in each? -
Conservative Linked - Multi-Managers

	2007 Total	2006 Total
Conservative Linked - Multi-Managers	17 100	10 100
Percentage of fund's assets		
100%		1 10
80-89	1 5.9	0 0
60-69	2 11.8	1 10
50-59	1 5.9	3 30
40-49	2 11.8	0 0
30-39	2 11.8	1 10
20-29	2 11.8	0 0
1-9	1 5.9	0 0
Don't know	6 35.3	4 40
Total of table	17 100	10 100

Q9.13b And, what percentage of the fund's assets are invested in each? -
Conservative Linked - Unit Trust
Mandates

	2007 Total	2006 Total
Conservative Linked - Unit Trust Mandates	1 100	1 100
Percentage of fund's assets		
Don't know	1 100	1 100
Total of table	1 100	1 100

Q9.13b And, what percentage of the fund's assets are invested in each? -
Moderate Linked Unspecified

	2007 Total	2006 Total
Moderate Linked Unspecified	9 100	
Percentage of fund's assets		
50-59	1 11.1	
40-49	1 11.1	
Don't know	7 77.8	
Total of table	9 100	

Q9.13b And, what percentage of the fund's assets are invested in each? - Moderate Linked - Single Managers (Segregated or Pooled)

	2007 Total	2006 Total
Moderate Linked - Single Managers (Segregated or Pooled)	12 100	4 100
Percentage of fund's assets		
100%	1 8.3	0 0
70-79	1 8.3	0 0
50-59	2 16.7	0 0
40-49	3 25	1 25
30-39	1 8.3	0 0
20-29	2 16.7	0 1
10-19	0 0	25 0
Don't know	2 16.7	2 50
Total of table	12 100	4 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Moderate Linked - Multi-Managers

	2007 Total	2006 Total
Moderate Linked - Multi-Managers	29 100	14 100
Percentage of fund's assets		
100%	4 13.8	1 7.1
90-99	2 6.9	1 7.1
80-89	2 6.9	0 0
70-79	1 3.4	0 0
60-69	3 10.3	1 7.1
50-59	5 17.2	1 7.1
40-49	0 0	3 21.4
30-39	1 3.4	1 7.1
20-29	3 10.3	1 7.1
10-19		1 7.1

1-9	1 3.4	0 0
Don't know	7 24.1	4 28.6
Total of table	29 100	14 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Moderate Linked - Unit Trust Mandates

	2007 Total	2006 Total
Moderate Linked - Unit Trust Mandates	6 100	5 100
Percentage of fund's assets		
100%	1 16.7	
60-69		1 20
50-59		1 20
20-29	1 16.7	1 20
Don't know	4 66.7	2 40
Total of table	6 100	5 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Aggressive Linked Unspecified

	2007 Total	2006 Total
Aggressive Linked Unspecified	10 100	
Percentage of fund's assets		
100%	2 20	
20-29	1 10	
10-19	1 10	
Don't know	6 60	
Total of table	10 100	

Q9.13b And, what percentage of the fund's assets are invested in each? - Aggressive Linked - Single Managers (Segregated or Pooled)

	2007 Total	2006 Total
Aggressive Linked - Single Managers (Segregated or Pooled)	5 100	8 100
Percentage of fund's assets		
70-79	1 20	1 12.5
50-59	1 20	
40-49		1 12.5
20-29	2 40	3 37.5
10-19	1 20	1 12.5
Don't know		2 25
Total of table	5 100	8 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Aggressive Linked - Multi-Managers

	2007 Total	2006 Total
Aggressive Linked - Multi-Managers	10 100	6 100
Percentage of fund's assets		
70-79	1 10	
50-59		2 33.3
40-49		1 16.7
30-39	1 10	1 16.7
20-29	3 30	
10-19	2 20	
Don't know	3 30	2 33.3
Total of table	10 100	6 100

Q9.13b And, what percentage of the fund's assets are invested in each? - Aggressive Linked - Unit Trust Mandates

	2007 Total	2006 Total
Aggressive Linked - Unit Trust Mandates	2 100	3 100
Percentage of fund's assets		
100%		1 33.3
50-59		1 33.3
Don't know	2 100	1 33.3
Total of table	2 100	3 100

Q9.14 From the fund's perspective, how important are products that provide stable investment returns?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Products providing stable investment		
Very important (4)	117 58.5	108 57.4
Important (3)	53 26.5	52 27.7
Somewhat important (2)	26 13	22 11.7
Not important (1)	3 1.5	5 2.7
Not sure	1 0.5	1 0.5
Mean	3.43	3.41
Summary		
Very/important	170 85	160 85.1
Total of table	200 100	188 100

Q9.15 How does the fund rate the following products' ability to provide stable investment returns to fund members? - Cash

		2007 Total	2006 Total
Base: All Respondents			
		200	188
		100	100
Cash			
Very good	(5)	57	38
		28.5	20.2
Good	(4)	47	39
		23.5	20.7
Moderate	(3)	34	38
		17	20.2
Poor	(2)	23	30
		11.5	16
Very poor	(1)	8	6
		4	3.2
Not sure		31	34
		15.5	18.1
Mean		3.72	3.48
Summary			
Very/good		104	77
		52	41
Very/poor		31	36
		15.5	19.1
Total of table		200	188
		100	100

Q9.15 How does the fund rate the following products' ability to provide stable investment returns to fund members? - Smoothed Bonus

		2007 Total	2006 Total
Base: All Respondents			
		200	188
		100	100
Smoothed Bonus			
Very good	(5)	45	20
		22.5	10.6
Good	(4)	80	70
		40	37.2
Moderate	(3)	32	38
		16	20.2
Poor	(2)	7	14
		3.5	7.4
Very poor	(1)	4	2
		2	1.1
Not sure		32	42
		16	22.3
No response			2
			1.1
Mean		3.92	3.64
Summary			
Very/good		125	90

	62.5	47.9
Very/poor	11	16
	5.5	8.5
Total of table	200	188
	100	100

Q9.15 How does the fund rate the following products' ability to provide stable investment returns to fund members? - Structured Products

		2007 Total	2006 Total
Base: All Respondents			
		200	188
		100	100
Structured Products			
Very good	(5)	23	14
		11.5	7.4
Good	(4)	78	56
		39	29.8
Moderate	(3)	50	53
		25	28.2
Poor	(2)	4	5
		2	2.7
Very poor	(1)	2	56
		1	29.8
Not sure		43	4
		21.5	2.1
Mean		3.74	3.62
Summary			
Very/good		101	70
		50.5	37.2
Very/poor		6	5
		3	2.7
Total of table		200	188
		100	100

Q9.15 How does the fund rate the following products' ability to provide stable investment returns to fund members? - Absolute Return

		2007 Total	2006 Total
Base: All Respondents		200 100	188 100
Absolute Return			
Very good	(5)	20 10	22 11.7
Good	(4)	70 35	57 30.3
Moderate	(3)	60 30	37 19.7
Poor	(2)	6 3	6 3.2
Very poor	(1)	1 0.5	2 1.1
Not sure		43 21.5	59 31.4
No response		0 0	5 2.7
Mean		3.65	3.73
Summary			
Very/good		90 45	79 42
Very/poor		7 3.5	8 4.3
Total of table		200 100	188 100

Q9.16 How important are investment products that provide guarantees to fund members?

		2007 Total	2006 Total
Base: All Respondents		200 100	188 100
Importance			
Very important	(4)	71 35.5	60 31.9
Important	(3)	54 27	56 29.8
Somewhat important	(2)	43 21.5	36 19.1
Not important	(1)	21 10.5	23 12.2
Not sure		9 4.5	13 6.9
Not applicable		1 0.5	0 0
Differs for older and younger members		1 0.5	0 0
Mean		2.93	2.87
Summary			
Very/important		125 62.5	116 61.7
Total of table		200 100	188 100

Q9.17 How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Cash

		2007 Total	2006 Total
Base: All Respondents		200 100	188 100
Cash			
Very good	(5)	58 29	37 19.7
Good	(4)	36 18	28 14.9
Moderate	(3)	36 18	32 17
Poor	(2)	8 4	17 9
Very poor	(1)	10 5	5 2.7
Not sure		52 26	58 30.9
No response			11 5.9
Mean		3.84	3.63
Summary			
Very/good		94 47	65 34.6
Very/poor		18 9	22 11.7
Total of table		200 100	188 100

Q9.17 How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Smoothed Bonus

		2007 Total	2006 Total
Base: All Respondents			
		200	188
		100	100
Smoothed Bonus			
Very good	(5)	40	22
		20	11.7
Good	(4)	73	48
		36.5	25.5
Moderate	(3)	30	37
		15	19.7
Poor	(2)	4	11
		2	5.9
Very poor	(1)	5	5
		2.5	2.7
Not sure		48	57
		24	30.3
No response			8
			4.3
Mean		3.91	3.58
Summary			
Very/good		113	70
		56.5	37.2
Very/poor		9	16
		4.5	8.5
Total of table		200	188
		100	100

Q9.17 How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Structured Products

		2007 Total	2006 Total
Base: All Respondents			
		200	188
		100	100
Structured Products			
Very good	(5)	17	8
		8.5	4.3
Good	(4)	60	38
		30	20.2
Moderate	(3)	50	48
		25	25.5
Poor	(2)	2	9
		1	4.8
Very poor	(1)	9	1
		4.5	0.5
Not sure		62	73
		31	38.8
No response			11
			5.9

Mean	3.54	3.41
Summary		
Very/good	77	46
	38.5	24.5
Very/poor	11	10
	5.5	5.3
Total of table	200	188
	100	100

Q9.17 How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Absolute Return

		2007 Total	2006 Total
Base: All Respondents			
		200	188
		100	100
Absolute Return			
Very good	(5)	19	13
		9.5	6.9
Good	(4)	54	35
		27	18.6
Moderate	(3)	50	34
		25	18.1
Poor	(2)	6	13
		3	6.9
Very poor	(1)	9	2
		4.5	1.1
Not sure		62	80
		31	42.6
No response			11
			5.9
Mean		3.49	3.45
Summary			
Very/good		73	48
		36.5	25.5
Very/poor		15	15
		7.5	8
Total of table		200	188
		100	100

Q9.18 Who has been appointed as the authorised person for Foreign Exchange and complies with the requirements laid down in Circular D427?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Authorised person		
The Principal Officer	62 31	52 27.7
A trustee	10 5	4 2.1
The consultant to the fund	38 19	24 12.8
The broker to the fund	8 4	23 12.2
The administrator	67 33.5	68 36.2
Another person	8 4	3 1.6
Not sure	22 11	28 14.9
None/not applicable	1 0.5	3 1.6
Summary		
Any internal	70 35	56 29.8
Any external	110 55	108 57.4
Total of table	216 108	205 109

Q9.19 Can you just confirm whether or not the fund provides investment feedback to members?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Fund provides investment feedback		
Yes	187 93.5	164 87.2
No	12 6	17 9
Not sure	1 0.5	7 3.7
Total of table	200 100	188 100

Q9.20 How often does the fund provide investment feedback to members?

	2007 Total	2006 Total
Fund provides investment feedback	187 100	164 100
Provide investment feedback...		
Daily	7 3.7	8 4.9
Weekly		1 0.6
Monthly	34 18.2	22 13.4
Quarterly	69 36.9	50 30.5
Half-yearly	24 12.8	13 7.9
Annually	53 28.3	65 39.6
Other	0 0	5 3
Total of table	187 100	164 100

Q9.21 How does the fund provide investment feedback?

	2007 Total	2006 Total
Fund provides investment feedback	187 100	164 100
How...		
Written notice	134 71.7	123 75
Fax	1 0.5	1 0.6
E-mail	29 15.5	29 17.7
SMS	2 1.1	
Place information on the Internet or Intranet	68 36.4	48 29.3
Verbally/at meetings	15 8	0 0
Benefit statements	2 1.1	0 0
Give you a C D	1 0.5	0 0
Other	2 1.1	36 22
Total of table	254 135.8	237 144.5

Q9.22 What is covered in the investment feedback?

	2007 Total	2006 Total
Fund provides investment feedback	187 100	164 100
Covered in the investment feedback		
Returns	142 75.9	121 73.8
Returns vs. benchmarks	116 62	96 58.5
Risk analysis	59 31.6	47 28.7
Rule amendments	4 2.1	0 0
Industry information/market conditions	9 4.8	0 0
Investment management update	4 2.1	0 0
Other information	7 3.7	33 20.1
Total of table	341 182.4	297 181.1

Q9.23 Which of the following Governance Instruments (properly negotiated and reduced to writing) are used?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Governance instruments used		
Investment Policy Statement (IPS)	134 67	126 67
Mandates for each investment product/portfolio	88 44	71 37.8
Investment performance review	133 66.5	112 59.6
None	6 3	4 2.1
Don't know	2 1	7 3.7
Total of table	363 181.5	320 170.2

Q9.24 How often is the Investment Policy reviewed?

	2007 Total	2006 Total
Investment Policy Statement (IPS)	134 100	126 100
Reviewed		
Quarterly	23 17.2	20 15.9
		80 63.5
Tri-annually	4 3	8 6.3
Half yearly/bi annually	10 7.5	0 0
Annually	87 64.9	0 0
Ad hoc	1 0.7	0 0
Less often	2 1.5	0 0
Not reviewed	1 0.7	3 2.4
Not sure	6 4.5	3 2.4
	0 0	12 9.5
Total of table	134 100	126 100

Q9.25 How often are performance and compliance with mandates reviewed?

	2007 Total	2006 Total
Mandates for each investment product/portfolio or Investment performance review	152 100	123 100
Performance and compliance reviewed		
Monthly	9 5.9	10 8.1
Quarterly	72 47.4	41 33.3
Half-yearly	16 10.5	14 11.4
Annually	39 25.7	47 38.2
Not reviewed	2 1.3	1 0.8
Not sure	13 8.6	6 4.9
Other	1 0.7	4 3.3
Total of table	152 100	123 100

Q9.26 What benchmark do you use to assess investment performance?

	2007 Total	2006 Total
Base: All Respondents	200 100	
Benchmark		
Total CPI plus%	83 41.5	
0%	1 0.5	
2%	7 3.5	
3%	18 9	
4%	11 5.5	
5%+	46 23	
Total of table	83 41.5	

Q9.26 What benchmark do you use to assess investment performance?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Benchmark		
Total CPI plus%	83 41.5	81 43.1
Peer group in a published survey	66 33	47 25
Benchmark in investment mandate	80 40	67 35.6
All share plus all brand index plus % on top of this	1 0.5	0 0
Other	3 1.5	19 10.1
Don't know	11 5.5	12 6.4
Not applicable		1 0.5
Total of table	244 122	227 120.7

Q9.27 What gross investment returns has the fund achieved for the financial year ending in 2005?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Gross investment returns - year 2005		
up to 5.0 %	8 4	9 4.8
5.1 - 7.5 %	3 1.5	4 2.1
7.6 - 10.0 %	10 5	7 3.7
10.1 - 12.5 %	6 3	7 3.7
12.6 - 15.0 %	13 6.5	5 2.7
15.1 - 17.5 %	8 4	9 4.8
17.6 - 20.0 %	16 8	17 9
20.1 - 25.0 %	32 16	20 10.6
25.1 - 30.0 %	29 14.5	25 13.3
30.1 - 35.0 %	15 7.5	13 6.9
35.1 - 40.0 %	7 3.5	6 3.2
40.1 - 50.0 %	3 1.5	4 2.1
50.1 - 60.0 %	0 0	1 0.5
60.1 +	0 0	1 0.5
None	1 0.5	0 0
This fund only in operation from 2005	1 0.5	0 0
Don't know	48 24	60 31.9
Total of table	200 100	188 100

Q9.27 What gross investment returns has the fund achieved for the financial year ending in 2004?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Gross investment returns - year 2004		
up to 5.0 %	7 3.5	15 8
5.1 - 7.5 %	6 3	3 1.6
7.6 - 10.0 %	18 9	19 10.1
10.1 - 12.5 %	13 6.5	16 8.5
12.6 - 15.0 %	9 4.5	12 6.4
15.1 - 17.5 %	6 3	4 2.1
17.6 - 20.0 %	21 10.5	14 7.4
20.1 - 25.0 %	23 11.5	17 9
25.1 - 30.0 %	22 11	19 10.1
30.1 - 35.0 %	5 2.5	5 2.7
35.1 - 40.0 %	2 1	1 0.5
50.1 - 60.0 %	0 0	2 1.1
60.1 +	0 0	1 0.5
None	1 0.5	0 0
This fund only in operation from 2005	2 1	0 0
Don't know	65 32.5	60 31.9
Total of table	200 100	188 100

Q9.27 What gross investment returns has the fund achieved for the financial year ending in 2003?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Gross investment returns - year 2003		
up to 5.0 %	23 11.5	38 20.2
5.1 - 7.5 %	5 2.5	8 4.3
7.6 - 10.0 %	19 9.5	18 9.6
10.1 - 12.5 %	9 4.5	7 3.7
12.6 - 15.0 %	13 6.5	9 4.8
15.1 - 17.5 %	10 5	8 4.3
17.6 - 20.0 %	15 7.5	10 5.3
20.1 - 25.0 %	12 6	7 3.7
25.1 - 30.0 %	4 2	6 3.2
30.1 - 35.0 %	2 1	1 0.5
50.1 - 60.0 %	0 0	1 0.5
60.1 +	0 0	1 0.5
None	2 1	5 2.7
This fund only in operation from 2005	4 2	0 0
Don't know	82 41	69 36.7
Total of table	200 100	188 100

Q9.27 What gross investment returns has the fund achieved for the financial year ending in 2006?

	2007 Total	2006 Total
Base: All Respondents	200 100	
Gross investment returns - year 2006		
up to 5.0 %	1 0.5	
12.6 - 15.0 %	2 1	
15.1 - 17.5 %	2 1	
17.6 - 20.0 %	1 0.5	
20.1 - 25.0 %	7 3.5	
25.1 - 30.0 %	11 5.5	
30.1 - 35.0 %	5 2.5	
35.1 - 40.0 %	3 1.5	
Total of table	32 16	

Q9.28 Does the fund have a policy to invest a proportion of its fund assets in Socially Responsible Investment Portfolios?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Policy to invest a proportion of its fund assets		
Yes	21 10.5	17 9
No	155 77.5	145 77.1
Not sure	24 12	26 13.8
Total of table	200 100	188 100

Q10.1 How often does the fund rebroke its administration, risk and investment business? - Admin

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Admin		
Annually	76 38	58 30.9
Every 2 years	21 10.5	14 7.4
Every 3 years	25 12.5	26 13.8
Every 4 years	5 2.5	3 1.6
Every 5 years	29 14.5	19 10.1
When necessary	15 7.5	0 0
Never/happy with current company	12 6	8 4.3
Done in house	1 0.5	0 0
Longer than every 5 years	2 1	0 0
Other	5 2.5	58 30.9
Don't know	5 2.5	2 1.1
Not applicable	4 2	0 0
Total of table	200 100	188 100

Q10.1 How often does the fund rebroke its administration, risk and investment business? - Risk

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Risk		
Annually	131 65.5	103 54.8
Every 2 years	20 10	20 10.6
Every 3 years	19 9.5	10 5.3
Every 4 years	2 1	
Every 5 years	7 3.5	7 3.7
When necessary	5 2.5	0 0
More often than annually/continuous process	1 0.5	0 0
Never/happy with current company	7 3.5	7 3.7
Done in house	1 0.5	0 0
Other	2 1	39 20.7
Don't know	4 2	2 1.1
Not applicable	1 0.5	
Total of table	200 100	188 100

Q10.1 How often does the fund rebroke its administration, risk and investment business? - Investment

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Investment		
Annually	101 50.5	84 44.7
Every 2 years	20 10	14 7.4
Every 3 years	23 11.5	16 8.5
Every 4 years	5 2.5	0 0
Every 5 years	12 6	12 6.4
When necessary	13 6.5	0 0
More often than annually/continuous	6	0

process	3	0
Never/happy with current company	9 4.5	8 4.3
Other	6 3	51 27.1
Don't know	4 2	3 1.6
Not applicable	1 0.5	0 0
Total of table	200 100	188 100

Q10.2 By approximately how much, if at all, has the total cost of fund management increased in the past year?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
% Increase		
100 + %	1 0.5	35 18.6
80-89		4 2.1
70-79	1 0.5	1 0.5
60-69		4 2.1
50-59	1 0.5	15 8
40-49		6 3.2
30-39		10 5.3
20-29	5 2.5	14 7.4
10-19	13 6.5	13 6.9
5-9	50 25	22 11.7
1-4	35 17.5	
None	80 40	36 19.1
		3 1.6
Don't know	14 7	25 13.3
Total of table	200 100	188 100

Q10.3 What are the three principal measures that are being taken by the fund to manage costs?

	2007 Total	2006 Total
Base: All Respondents	200 100	188 100
Principal measures		
Rebroking/rebroke service/rebroke risk	48 24	37 19.7
Capping of benefits	8 4	2 1.1
Capping of risk costs	9 4.5	10 5.3
Don't accept increase in fees	3 1.5	
Regular/constant monitoring of costs	101 50.5	32 17
Benchmarking	33 16.5	10 5.3
Prudent investment policies	2 1	
Look at structure of fund/revise benefit structures	6 3	
Have a good administrator/good management by administrator	31 15.5	
Tight control by trustees	19 9.5	57 30.3
Negotiate with managers	28 14	42 22.3
Salary increases/limit salary increases	12 6	
Keep cost in line with CPI	8 4	
Moved into an umbrella fund	3 1.5	
Good investment	4 2	14 7.4
Educate members on how to look after themselves	4 2	
Growth in numbers-Higher the number lower the cost	2 1	
Develop I T programmes	2 1	6 3.2
Rely on broker		14 7.4
Outsource admin/fund management		6 3.2
Decreasing risk cover		7 3.7
Improve/increase the uptake of HIV/AIDS programme/company to monitor and manage HIV closely		10 5.3
Employers' contribution to fund pushed up 4% soon		1 0.5
Changing the administrators/review		8

assistant managers / auditors		4.3
Assure transparency of costs		4 2.1
Educating members/member communication/education		5 2.7
Other	11 5.5	18 9.6
None	14 7	15 8
Don't know/do not deal with this	22 11	13 6.9
Total of table	370 185	311 165.4

Q10.4 In sourcing fund management expertise, does your fund use the same provider for administration, benefit consulting, investments etc. or do you source these from different providers?

	2007 Total	2006 Total
Base: All Respondents	200 100	
Fund used...		
One provider	109 54.5	
Multiple providers	91 45.5	
Total of table	200 100	

Q10.5 Does the fund have one principal" consultant who takes a leading role in advising on fund management" issues and co-ordination of different specialist providers?

	2007 Total	2006 Total
Base: All Respondents	200 100	
Fund has one principal" consultant"		
Yes	179 89.5	
No	21 10.5	
Total of table	200 100	

Q10.6 Who would you describe as the principal consultant to the fund?
Is it ...?"

	2007 Total	2006 Total
Respondents saying fund has one principal consultant who takes a leading role in advising on fund management issues"	179	100
The principal consultant to fund"		
The benefit consultant	64	35.8
The administrator	83	46.4
The investment consultant	26	14.5
Fund actuary	1	0.6
Broker	4	2.2
One person does all the above	1	0.6
Other	10	5.6
Total of table	189	105.6

Q10.7 And which company is this?

	2007 Total	2006 Total
Respondents saying fund has one principal consultant who takes a leading role in advising on fund management issues"	179	100
Company		
Alexander Forbes	50	27.9
Liberty	13	7.3
Metropolitan	3	1.7
Momentum/Lekana	12	6.7
NBC	8	4.5
Old Mutual	11	6.1
Sanlam	13	7.3
Simeka (Sanlam)	11	6.1
In house	3	1.7
Jacques Malan & Associates	2	1.1
Other	53	29.6
Total of table	179	100

NOTES

NOTES