

Lawyers discuss legal parameters for briefing MPs involved in probing Steinhoff

By [Linda Ensor](#)

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Parliament's lawyers are engaging with Steinhoff's lawyers on the legal parameters of the briefing that the company will give to members of three parliamentary committees on Wednesday.



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Members of the standing committee on finance, the standing committee on public accounts and the public service and administration committee will be briefed by Steinhoff as well as the JSE, the Treasury, the Financial Services Board (FSB), the South African Reserve Bank, the Independent Regulatory Board for Auditors (Irba), the Government Employees Pension Fund (GEPF) and the Public Investment Corporation (PIC)

"It is an initial meeting for the committees to get a better sense of what happened at Steinhoff, what the role of the regulatory and statutory bodies and the JSE are in investigating the matter, and what role the government and our respective parliamentary committees need to play," finance committee chairperson Yunus Carrim, public accounts chairperson Themba Godi and public service and administration chairperson Cassel Mathale said.

"We are also interested to know about the co-operation between the regulators and other statutory bodies here and in Germany, the Netherlands and elsewhere," they said in a statement on Monday.

"The aim of the briefing is not to supplant the role of the Financial Services Board, South African Reserve Bank, Irba and other regulatory bodies who are legally mandated to investigate the matter, and have the forensic, technical and other capacity to do so. The briefing will not seek to pre-empt the outcomes of these very important investigations," the three chairpersons said.

"The briefing on Wednesday is not a commission of inquiry, but part of our necessary oversight role over the regulatory bodies that are investigating Steinhoff.

"We want them to clarify what they have done since the Steinhoff crisis broke out, the scope of their investigations, their timelines and when they intend to finish and report back to Parliament. We believe they need to be thorough but also swift and decisive.

"Of course, we understand that Steinhoff is being investigated by a range of organisations here and in other countries, there are court actions being considered against it and there are market-sensitive issues at stake. But within these constraints, we believe Steinhoff should still answer to Parliament in the public interest.

"After all, the collapse of Steinhoff shares has implications for public servants and any material losses would have to be made up for through the national fiscus because government employees have a defined benefit fund."

Godi, Carrim and Mathale continued: "Our concern, though, is not just about government employees, but all workers and others who have lost out in what may well be the biggest corporate scandal the country has ever faced. We are also concerned about possible job losses in Steinhoff companies.

"The GEPF and PIC will also report on what implications the collapse of the Steinhoff share will have on them, what they have been doing since the crisis broke out and what lessons they have already drawn about their investment decisions.

"Over time, consideration will also need to be given to whether there is a need for policy and regulatory changes to reduce the prospects of the Steinhoff-type failures. The committees will consider how they jointly and separately take issues forward after the briefing.

There are other parliamentary committees that also have oversight functions related to Steinhoff issues, such as the trade and industry, police, and justice and constitutional development committees. Our three committees will engage with them in this regard," said finance committee chairman Yunus Carrim, public accounts chairman Themba Godi and public service and administration chairperson Cassel Mathale.

Source: BDpro

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