



PENSIONS AWARENESS DAY MESSAGE

YOUR PENSION CONTRIBUTION IS YOUR FUTURE



Every month, Tendai receives his payslip. Among the deductions on his income is his pension contribution. His employer also has an obligation to make its contribution as stipulated in the pension fund rules registered with IPEC. Tendai goes about his work believing that these contributions are being remitted to his pension fund, where they are being invested and generating returns towards securing his retirement income.

But what happens when the contributions are deducted but not remitted to the pension fund? The impact may not be immediately visible. Tendai continues working and receiving his payslips. However, behind the scenes, a gap is developing in his retirement savings. Money that should have been invested is unavailable to the pension fund, meaning it cannot earn investment returns for his benefit. Even though the pension legislation provides for awarding of interest on unremitted contributions, there is risk that the interest may not cover for inflation, the forgone investment return and the sponsoring employer can close shop, meaning recoverability of the arrears can be impossible.

This is not just a hypothetical concern.

As at 30 June 2026, pension contribution arrears stood at US\$181.78 million (ZWG4.87 billion), having increased by 22% from US\$148.96 million as at 31 March 2026. Behind these arrears are employees whose retirement security is being compromised. When sponsoring employers fail to remit contributions, pension funds are deprived of money that should be invested on behalf of members. This may ultimately affect the benefits available to employees when they retire. There is another side to Tendai's story.

Imagine that Tendai rises through the organisation and becomes one of the executives deciding which obligations are paid when the organisation faces cash-flow challenges. Pension contributions may seem like something that can be deferred until the organisation's cashflows have improved. But Tendai is still a pension fund member.

Sponsoring employers' decision-makers who defer pension contribution remittances are also compromising their own retirement savings. The consequences of non-remittance do not distinguish between executives and other employees who are members of the affected fund.

Pension contributions are, therefore, not simply another creditor obligation. They represent the deferred income and future financial security of employees. This Pensions Awareness Day, IPEC calls upon sponsoring employers to remit pension contributions in full and on time. Members should also take responsibility for their retirement future by regularly checking their pension statements and following up where contributions deducted from their salaries are not reaching their pension funds. Behind every contribution is a future. Behind every arrear is a retirement that is compromised. . Remit today. Secure tomorrow.

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