

PSA concern over PIC's hand in SAA

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PSA concern over PIC's hand in SAA Date: 21 Jun 2021 THE PUBLIC Servants Association (PSA) has expressed concern at the involvement of the Public Investment Corporation (PIC) in the new ownership of SAA. The union said it was concerned that public servants' pensions could be lost once more – as in the case of Steinhoff – should the new owners fail to make it profitable. Spokesperson Reuben Maleka said the union would be meeting the Government Employees Pension Fund to demand an explanation regarding the PIC's involvement in the deal. The PIC, which manages public servant pensions, has confirmed that it owns 30% of Harith General Partners, an infrastructure investment group that is part of a consortium that will now own the majority stake in SAA. Public Enterprises Minister Pravin Gordhan announced a few days ago that the Takatso consortium of Harith General Partners and Global Aviation would have a 51% stake in SAA, with the state retaining 49%. "They should not be funding SOEs (state-owned entities) where they know that there will not be returns on their investment. "Most of the time we complain as public servants that we do not have access to housing; we are upset because we really don't know how the PIC makes decisions," Maleka said. He said the union believed the deal was meant to only benefit certain politicians associated with the PIC and the governing party. Maleka also accused the minister of public enterprises of "shady deals" while at the same time questioning the leadership of the PIC. "They did not follow due process and we were not told as public servants and this is public servants' money. We are not going to lie low and leave it like that; we are going to make sure the PIC does not waste public servants' money." The Star understands that a number of unions would be meeting today to discuss how public servants' pensions got mixed up with the new owners of SAA, Takatso consortium. "In future we do not want these kinds of deals, knowing that they are going to work in favour of a few politicians, making them rich while we as public servants continue to suffer. They know that we are not benefiting and even if the deal collapses there will be no repercussions. Look what happened to Steinhoff, (Markus) Jooste is still living large," Maleka said. He said SAA had not brought back any returns and investing in it was risky for the PIC. He said the PSA would hold individual board members legally accountable should public servants lose their pensions once again. The National Union of Metal Workers of SA is another union that has raised concerns with the Takatso deal. The union's spokesperson, Phakamile Hlubi-Majola, said the union was consulting its attorneys about the next step in deciphering the mystery behind the SAA sale. Former standing committee on public accounts (Scopa) chairperson, Themba Godi, said he was concerned by the manner in which the PIC handled its investments. "There is so much secrecy around the deal, we are told that Takatso was selected after a rigorous process, but who were the other competitors and how was Takatso better than them? You would think that due diligence was done but for the unions it's a concern if this was a worthwhile investment," he said. Godi said he was concerned that the PIC had never accounted to Scopa during his time. ITUMELENG MAFISA..