

MEDIA RELEASE **Oxygen plant project scandal: PSA calls for accountability and transparency**

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The Public Servants Association (PSA) has noted with grave concern revelations regarding alleged irregularities in the R836-million project to install oxygen plants at state hospitals.

News reports in *Daily Maverick* and *amaBhungane* highlight allegations against senior officials of the national Department of Health and the Independent Development Trust (IDT), underscoring an urgent need for greater accountability and ethical conduct in the management of public resources. It is unacceptable that a project initially budgeted at R216 million could balloon to R836 million owing to apparent mismanagement, cost overruns, and irregular procurement processes. Such discrepancies, if proven, represent a serious betrayal of public trust and a direct failure to uphold the principles of good governance.

The PSA is particularly alarmed by the reported actions of the Director-General of the Department of Health and IDT Chief Executive Officer, in approving inflated budgets and ignoring clear red flags raised by oversight committees. These actions risked significant financial loss and compromised the provision of critical healthcare infrastructure. This scandal is even more egregious given South Africa's strained healthcare system and the reliance of millions of citizens on public healthcare facilities. Every misallocated rand undermines the quality of care and the ability to meet the urgent health needs of citizens.

The PSA demands that the relevant authorities, including the Auditor-General and law enforcement agencies, urgently investigate the irregularities in the project, including the role of implicated officials. The PSA further demands that pending the outcome of these investigations, officials directly involved in the alleged misconduct must be placed on suspension to prevent interference. Both entities must release detailed explanations in respect of the procurement process, budget increases, and measures to recover misappropriated funds. Government must further introduce and enforce stricter procurement and project management protocols to prevent similar occurrences.

The PSA reiterates the Union's commitment to safeguarding public resources and ensuring that these are used effectively to improve the lives of South Africans. Corruption and mismanagement cannot be allowed to flourish, particularly when jeopardising the delivery of essential services. The PSA urges the Minister of Health and other government leaders to act decisively and transparently to restore public confidence. Accountability is not negotiable, and those found guilty of wrongdoing must face the full consequences of the law.

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