



MEDIA RELEASE **PSA calls for investigation into Ithala Development Finance Corporation senior managers**

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The Public Servants Association (PSA) is calling for an investigation into the Ithala Development Finance Corporation (IDFC) following allegations of ill-treatment of staff by senior managers.

The IDFC is a KwaZulu-Natal government business entity that leases out commercial properties to tenants and provides business finance loans to SMMEs. The CEO of the IDFC, has reportedly suspended senior managers, claiming that they were corrupt. No evidence has, however, been provided for any of the allegations, while the business continues to pay salaries to the suspended employees. The disciplinary processes against the suspended employees have been fruitless and wasteful as those senior managers were found not guilty of any misconduct and they continue to receive their salaries when they should be returning to work.

Since becoming CEO, the CEO has filled key positions, such as that of Divisional Manager Human Capital and the Divisional Manager Supply Chain with former colleagues from SASSA. In another matter, a senior manager won a case of unfair dismissal at the CCMA and the IDFC was ordered to reinstate him with backpay of more than R3 million. The senior manager in the case, certified the CCMA arbitration award as an order of court and the sheriff has attached certain assets. The IDFC is spending exorbitant amounts on legal fees.

The PSA calls on the KwaZulu-Natal MEC for Economic Development Tourism Affairs, as the sole shareholder, to demand the return of management and employees on suspension, as well as taking action against those who decided to place staff on suspension for more than two years.

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