



MEDIA RELEASE	Department of Public Enterprises closure: PSA calls for urgent consultation
DATE	4 September 2023
EMBARGO	None
ENQUIRIES	communication@psa.co.za

The Public Servants Association (PSA), representing a significant number of employees of the Department of Public Enterprises (DPE) was surprised to learn that plans for the Department's closure were at an advanced stage.

The President initially announced the Department's closure in the State of the Nation address in February 2023. The Deputy Minister of the Department reiterated this sentiment in a portfolio committee meeting, stating that the DPE would cease to exist after next year's elections. The Deputy Minister further stated that plans were already underway to ensure that the DPE is shut down.

The PSA was thus surprised to learn from media statements that plans for the closure were at an advanced stage, as labour had not been informed of this status. Whilst media statements indicate that state-owned enterprises (SOEs) resorting under the DPE would be allocated to line departments, little information was provided on the future of DPE employees. The DPE's failure to consult with its employees and issue media statements on this matter is reckless and irresponsible, causing anxiety and apprehension amongst employees.

The PSA respects government's decision to close the DPE but is sceptical that this will address the challenges faced by various SOEs. The dismal failure of SOEs is often a result of bad governance, corruption, and political interference. The closure of the DPE is therefore unlikely to offer any solution to failing SOEs. The reasons provided by government to justify the DPE's closure are unconvincing and puzzling.

The PSA urges the DPE to promptly consult with labour regarding the transfer of employees to various government departments. The process of consultation and employee transfer is extensive and time-consuming, and the PSA is not willing to compromise on this. The timelines provided by the Deputy Minister make this matter urgent, and it is essential to ensure that the process is done meticulously without compromising the future of employees.

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