

MEDIA RELEASE PSA applauds accountability measures regarding R5 billion UIF scheme

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EMBARGO None

ENQUIRIES communication@psa.co.za

The Public Servants Association Union of South Africa (PSA) welcomes recent developments regarding the R5-billion scheme by the Unemployment Insurance Fund (UIF) and the commitment to accountability in the Department of Employment and Labour (DEL).

The Minister of Employment and Labour, Thulas Nxesi, has taken decisive action by ordering a judicial review of the UIF's controversial allocation of a R5 billion investment to *Thuja Capital*. It is alleged that the company at the time of the award only existed on paper. The Minister must ensure that the awarded contract to the company be nullified, as it was granted without due diligence with the primary goal of fostering job creation. It is disheartening that amongst current record unemployment rates in the country, certain individuals opportunistically exploited all means to create jobs for self-enrichment and greed. The PSA is encouraged that the Minister has directed the DEL to implement the necessary consequences for individuals found to have erred in the procurement process. This includes the Director-General and UIF Commissioner, both of whom have been requested to provide reasons why they should not face suspension.

The PSA urges Minister Nxesi and Cabinet to institute stringent measures aimed at eradicating corruption and maladministration in the public service. Such steps will alleviate government's financial constraints, which are threatening the country's financial stability. It is imperative that decisive action be taken against officials who exploit state resources for personal enrichment. In addition, criminal cases should be pursued against *Thuja Capital*. The PSA remains steadfast in its commitment to encourage public servants and members of the public to report corruption or maladministration through the hotline service facilitated by the Public Service Commission. The PSA believes that a zero-tolerance approach to corruption is essential for enhancing service-delivery programs and fostering a healthy working environment.

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