

MEDIA RELEASE	PSA condemns alleged wasteful expenditure by Gems
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EMBARGO	None
ENQUIRIES	communication@psa.co.za

Recent media reports have revealed that the Government Employees Medical Scheme (Gems) has been paying some R60 000 monthly rental for unoccupied building in North West since September 2017.

Gems wrote to the Public Service Coordinating Bargaining Council (PSCBC) on 12 September 2018, confirming that it has been renting Borekelong House in Mafikeng in North West and that the building has been left unoccupied. Gems also confirmed that, instead, interim accommodation is being utilised in another building.

“The PSA represents more than 240 000 members, with most them belonging to Gems. Members of the Scheme are faced with increases in their subscription every year that are not reflected in service delivery. Wasteful expenditure such as the highlighted matter simply cannot be condoned and begs the question about the overall usage by Gems of funds collected from the Public Service,” said PSA General Manager, Ivan Fredericks.

Gems only brought forward the matter to the PSCBC and unions after media reports surfaced. In a letter to the PSCBC, the Scheme’s Principal Officer, Dr Guvant Goolab, merely indicated that *‘the Board was briefed on the matter on Friday, 7 September 2018 and will consider a submission on the matter on 13 September 2018. Feedback on the Board’s decisions will be provided to the PSCBC and Unions’*.

“The PSA welcomes the investigation by the Minister of Public Service and Administration into the matter and appeals to the Minister to broaden the investigation and look into the entire management of the Scheme. Continued mismanagement, maladministration and corruption by entities making money through the state and its employees cannot be tolerated, especially during the distressing economic times the country is facing,” said Mr Fredericks.

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