**MEDIA STATEMENT​**

**PUBLIC ENTERPRISES COMMITTEE NOT HAPPY ABOUT UNDERPERFOMANCE OF DEPARTMENT**

**Parliament, Wednesday, 14 October 2020**– The Portfolio Committee on Public Enterprises was briefed by the Department of Public Enterprises on its third and fourth quarter financial performance reports and service delivery performance of state-owned companies.

Briefing the committee, the department informed members of the committee that the third quarter for 2019/20 was 77% and the department reported 22 indicators for the quarter and of the 22, 17 targets were achieved. The fourth quarter performance for 2019/20 was 77%, 26 indicators for the quarter, and 22 indicators were achieved

The committee expressed its displeasure with the underperformance of the department. Members of the committee said it finds it unexplainable that shareholder compacts (contracts) have not been signed, something which will make it difficult to measure performance.

In terms of state-owned companies, the committee was of the view that issues presented before the committee are not knew, for instance, the non-payment of salaries is one of the concerns the department has been grappling with.

Furthermore, the committee said it is concerning that there is no consequence management when targets have not been met in state-owned companies. On Denel, the committee was informed and promised during an oversight visit, of a clear articulated plan that Denel has the capacity to go back to its own business.

On South African Airways, the committee wanted assurance if the national carrier will be saved and where the R10.5billion bailout will come from. The committee said the National Treasury has indicated that it will not be able to shoulder the bailout.

Regarding Eskom, the committee noted the developments of the unbundling process and requested clear timelines on the matter.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON PUBLIC ENTERPRISES, MR KHAYA MAGAXA.**