

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION NO.: 2405**

**2405.  Mr A R McLoughlin (DA) to ask the Minister of Public Enterprises:**

With reference to the reply to question 1412 on 25 June 2018 (**Annexure “A”**), what are the details of the figures and calculations that resulted in the determination that it would cost R60 billion to shut down SA Airways?

**This response is according to information received from South African Airways:**

The calculation was based on SAA’s balance sheet as at March 2017 calculated on a liquidation basis (calculation attached as **Annexure “B**”). A determination of the likely proceeds of the assets was made together with the value of liabilities, which includes loans, trade and other creditors and the liabilities associated with the aircraft leases. The greatest cost of the amount is related to settlement of contractual liabilities and settlement of loans.