

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 4301**

**QUESTION:**

**4301. Mr E M Buthelezi (IFP) to ask the Minister of Public Enterprises {880}:**

With regard to the financial constraints and the operational limitations of Transnet, what sustainable measures will his department implement to commit to the pay increase granted to Transnet’s employees? **NW5387E**

**REPLY:**

**According to the information received from Transnet**

The salary increases will be funded through a combination of cost control measures, improvement of operational performance and the rebasing of tariffs in line with tariff methodology or customer contracts which allow for salary increases as pass-through costs.

Cost control measures have been implemented across the business to preserve cash without limiting expenditure in critical areas of the business.

Improvement in operational performance will be supported by the initiatives that are strategically driven to unlock the current binding constraints i.e., locomotives availability, theft, and vandalism challenges as well as the focus on infrastructure maintenance backlog.

**Remarks: Reply: Approved / Not Approved**

**Jacky Molisane P J Gordhan, MP**

**Acting Director-General Minister of Public Enterprises**

**Date: Date:**